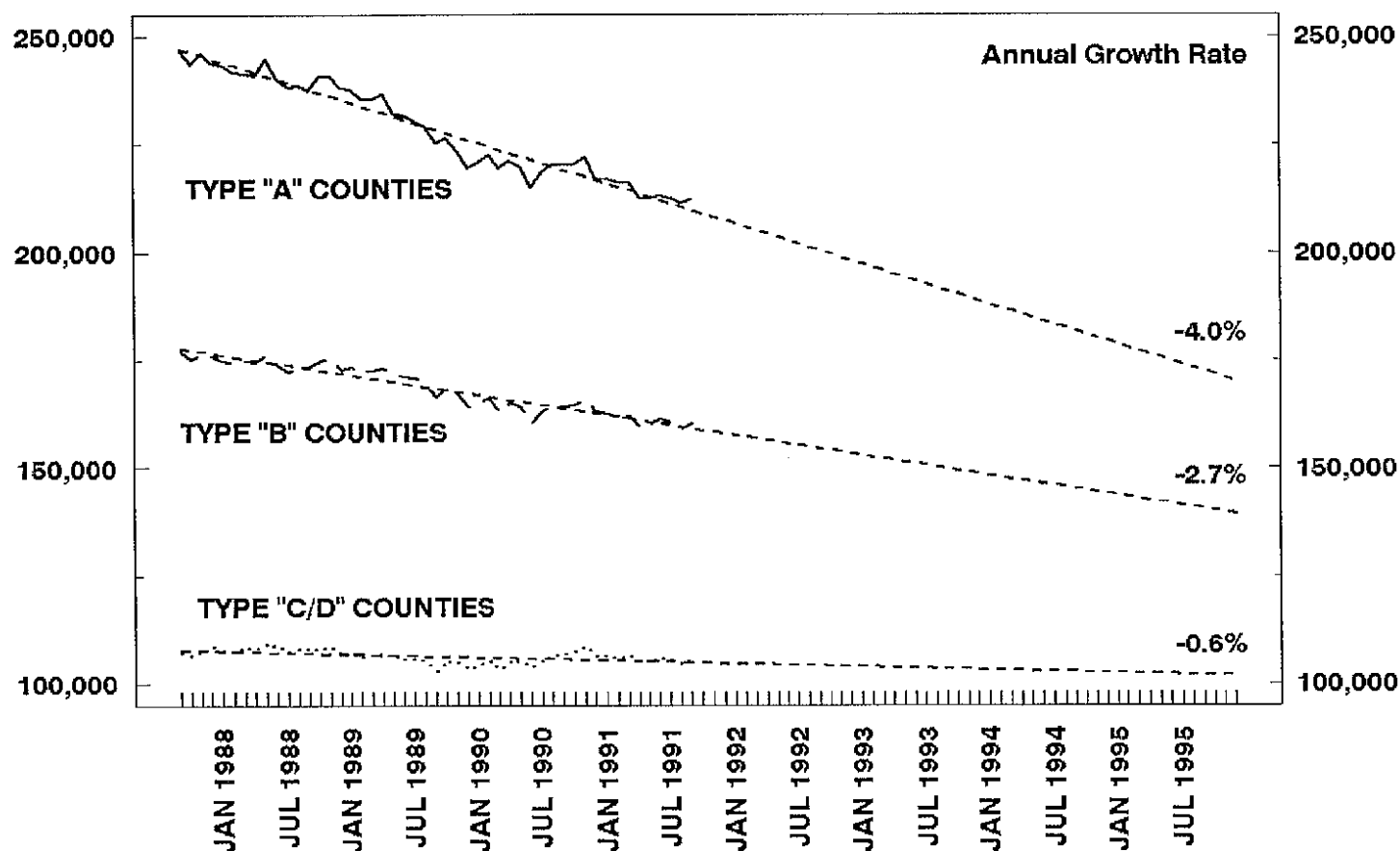

Industry Erosion By County Type

Volumetric Efficiency vs Volumetric Trend

2045044392

VOLUME BY COUNTY TYPE
TYPE A SECTIONS VS. TYPE B VS. TYPE C/D SECTIONS
TOTAL INDUSTRY

12MM VOLUME(MIL)

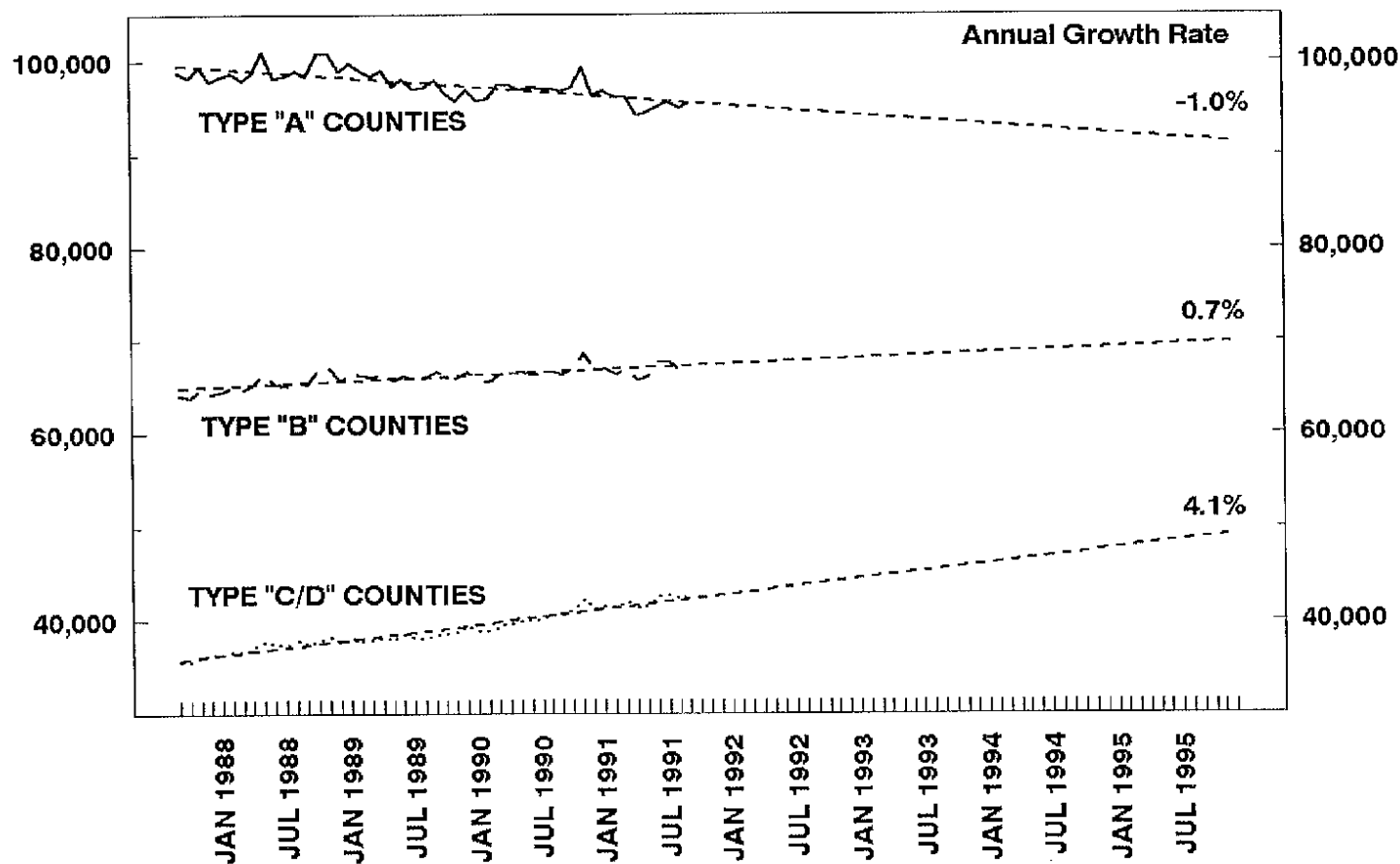


Source: MSADData, 12mm Volume(Millions)

212VIND.CHT

VOLUME BY COUNTY TYPE
TYPE A SECTIONS VS. TYPE B VS. TYPE C/D SECTIONS
TOTAL PHILIP MORRIS

12MM VOLUME(MIL)



Source: MSADData, 12mm Volume(Millions)

212VPM.CHT

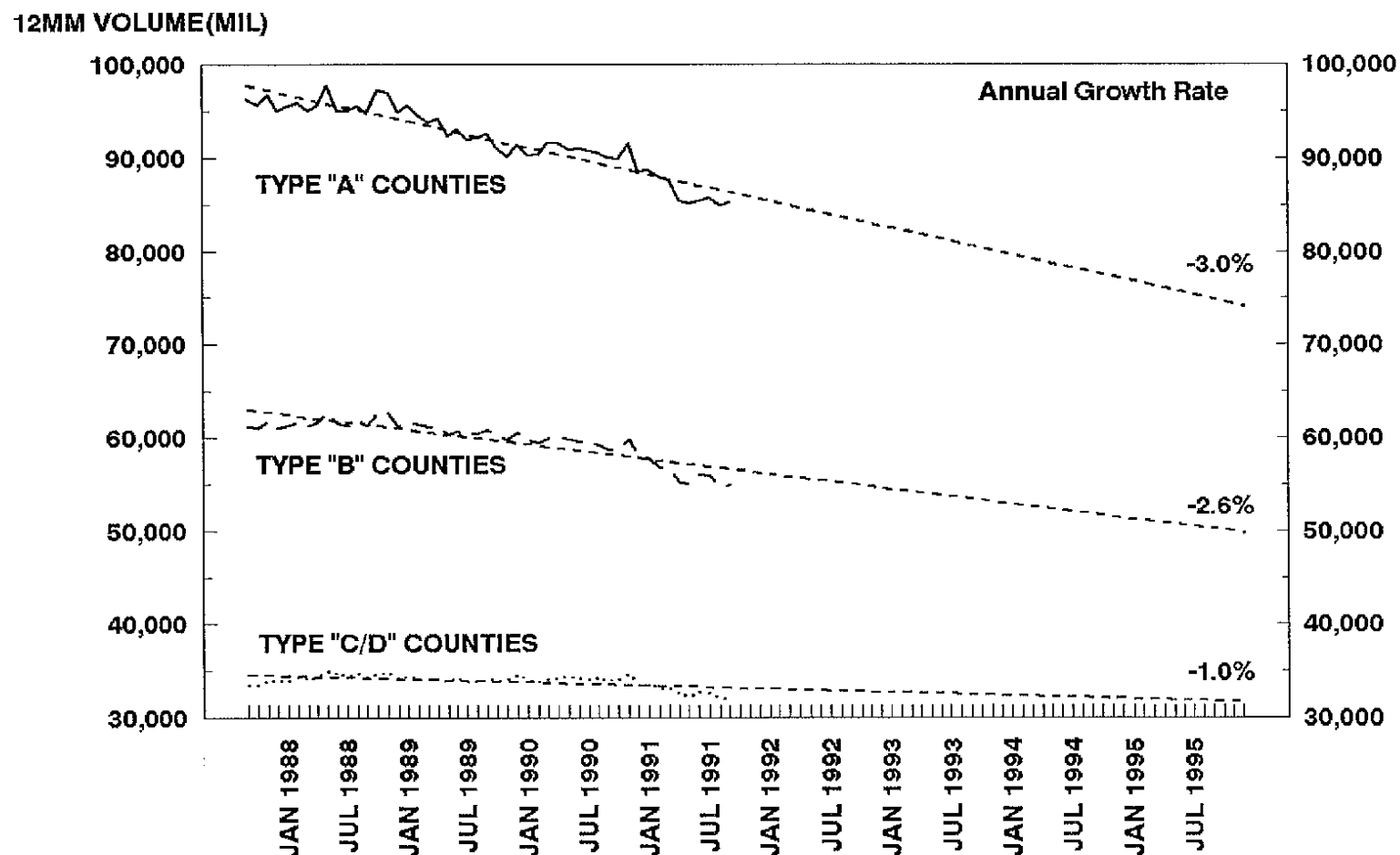
2045044394

2045044395

LA VINDA. CH

Industry Full Margin
of version

VOLUME BY COUNTY TYPE
TYPE A SECTIONS VS. TYPE B VS. TYPE C/D SECTIONS
PHILIP MORRIS FULL MARGIN



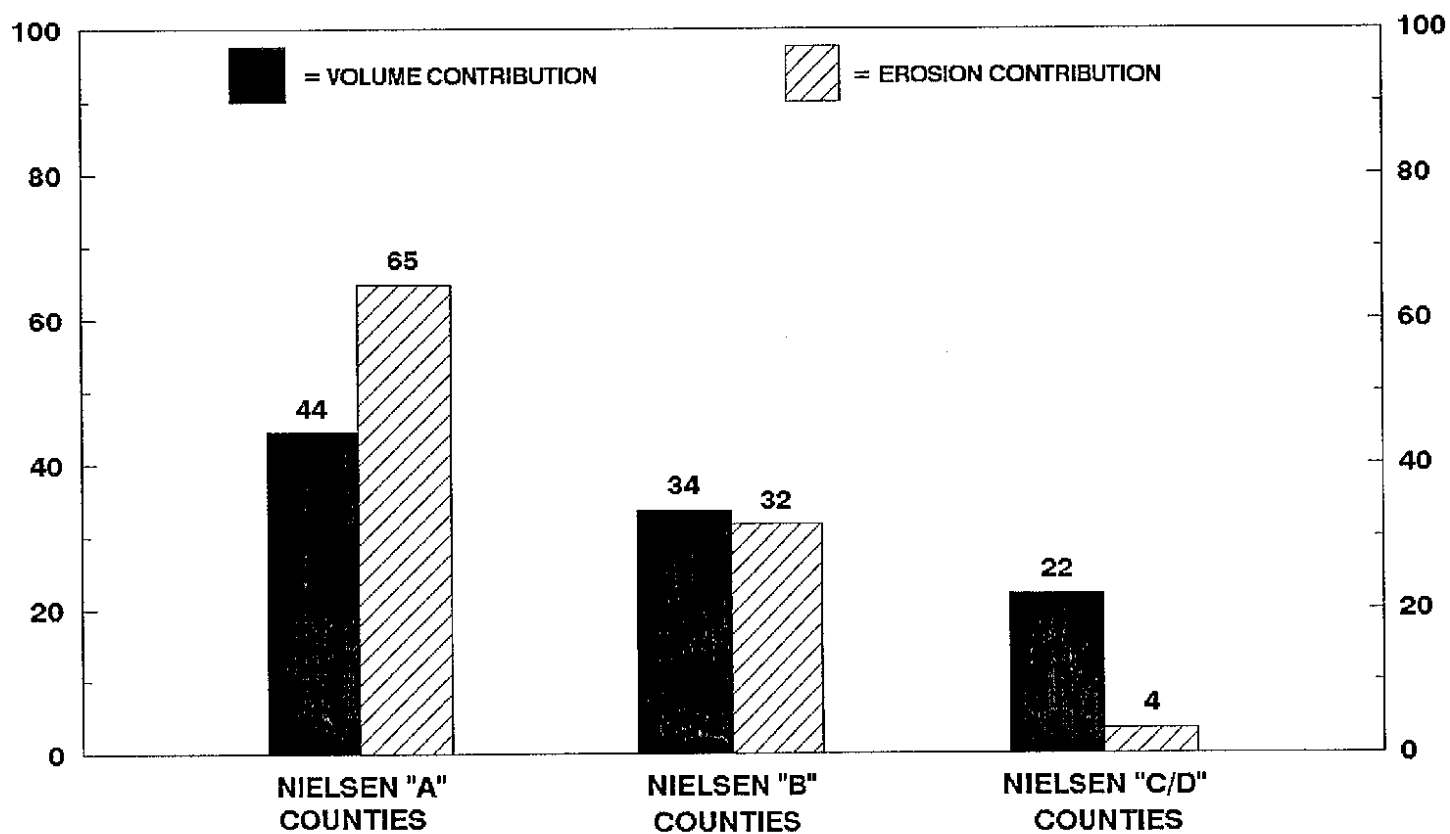
Source: MSADData, 12mm Volume(Millions)

212VPMFM.CHT

2045044396

INDUSTRY VOLUME vs. EROSION CONTRIBUTION
12MM TOTAL U.S. BY COUNTY TYPE
(BASE YEAR = SEPTEMBER 1987)

% CONTRIBUTION



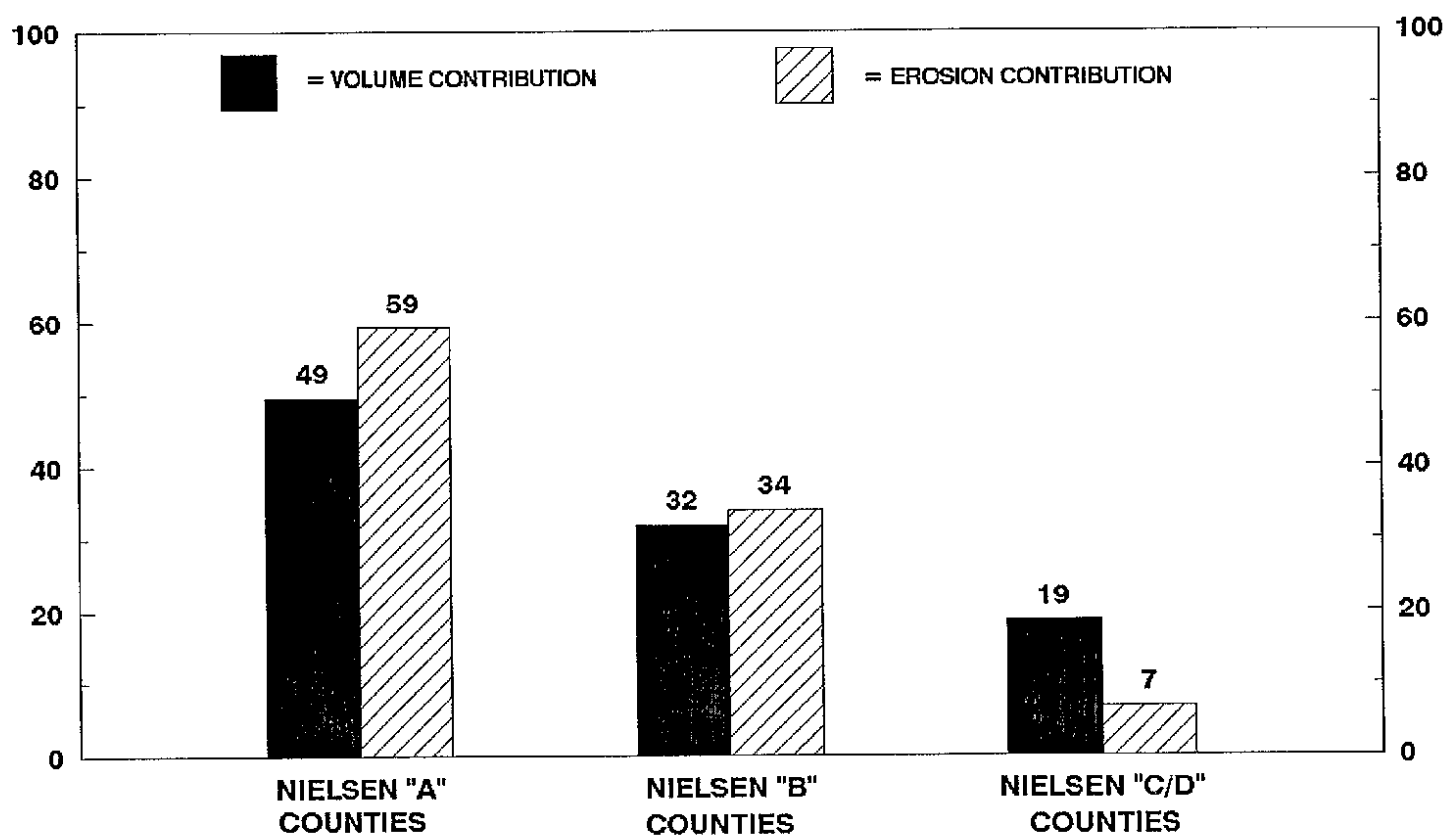
SOURCE = MSA SHIPMENTS

2IND.CHT

2045044397

PHILIP MORRIS FM VOLUME vs. EROSION CONTRIBUTION %
12MM TOTAL U.S. BY COUNTY TYPE
(BASE YEAR = SEPTEMBER 1987)

% CONTRIBUTION

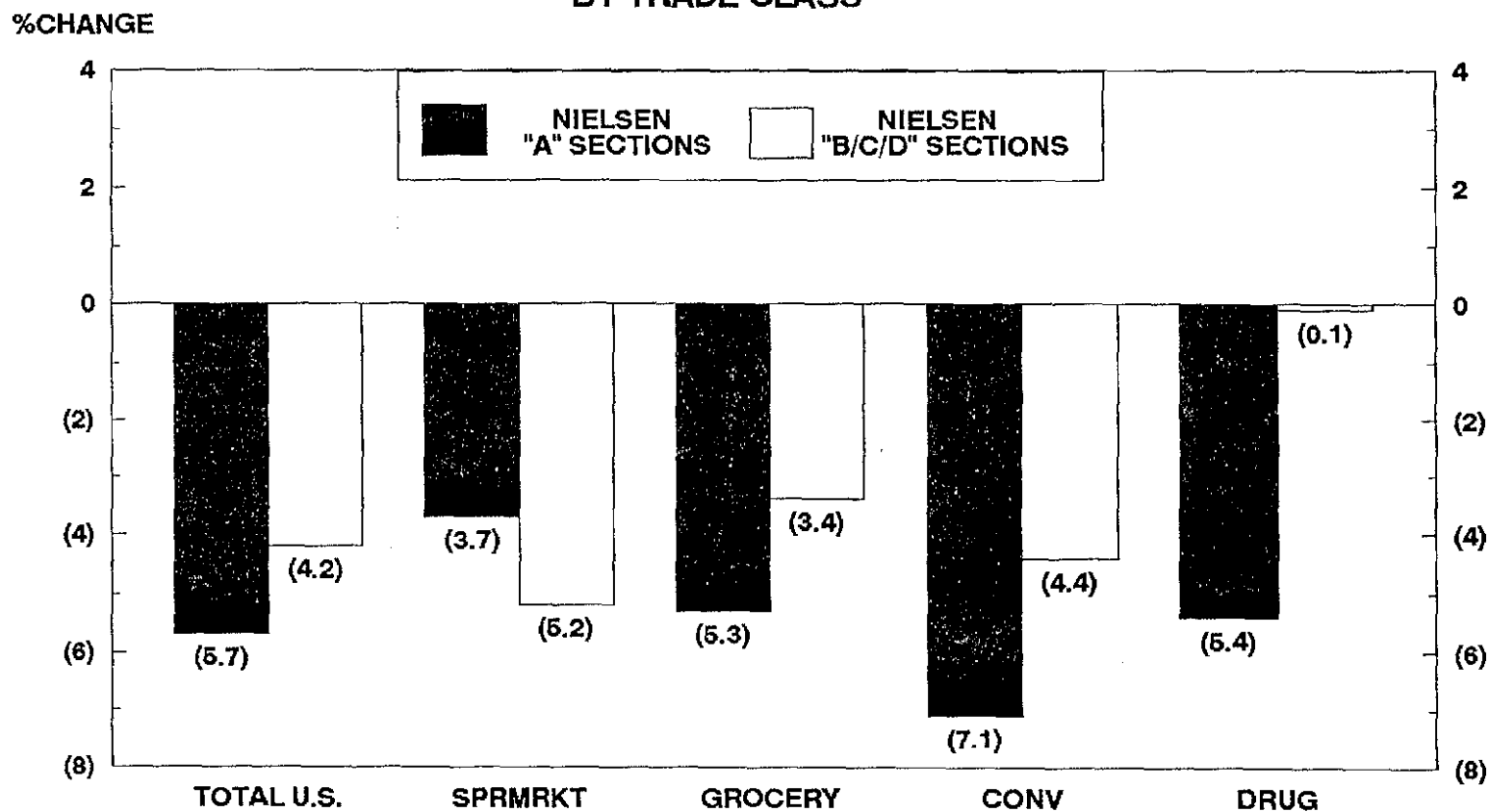


SOURCE = MSA SHIPMENTS

PMFM.CHT

2045044398

PHILIP MORRIS FM VOLUME %CHANGE vs. YAG
BY TRADE CLASS

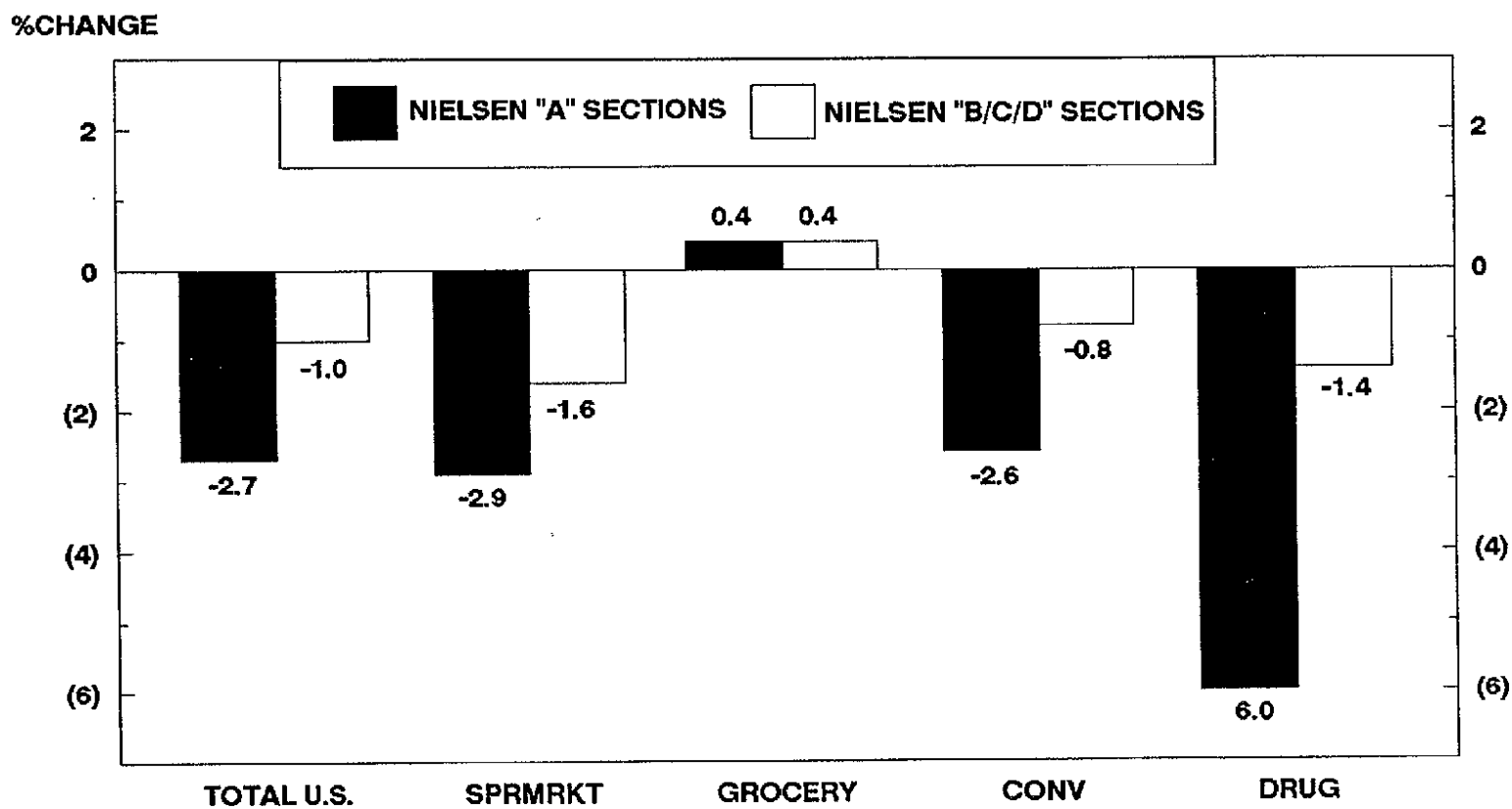


Source: New Nielsen 12mm September 1991

6NNBAR.CHT

2045044399

INDUSTRY VOLUME %CHANGE vs. YAG BY TRADE CLASS

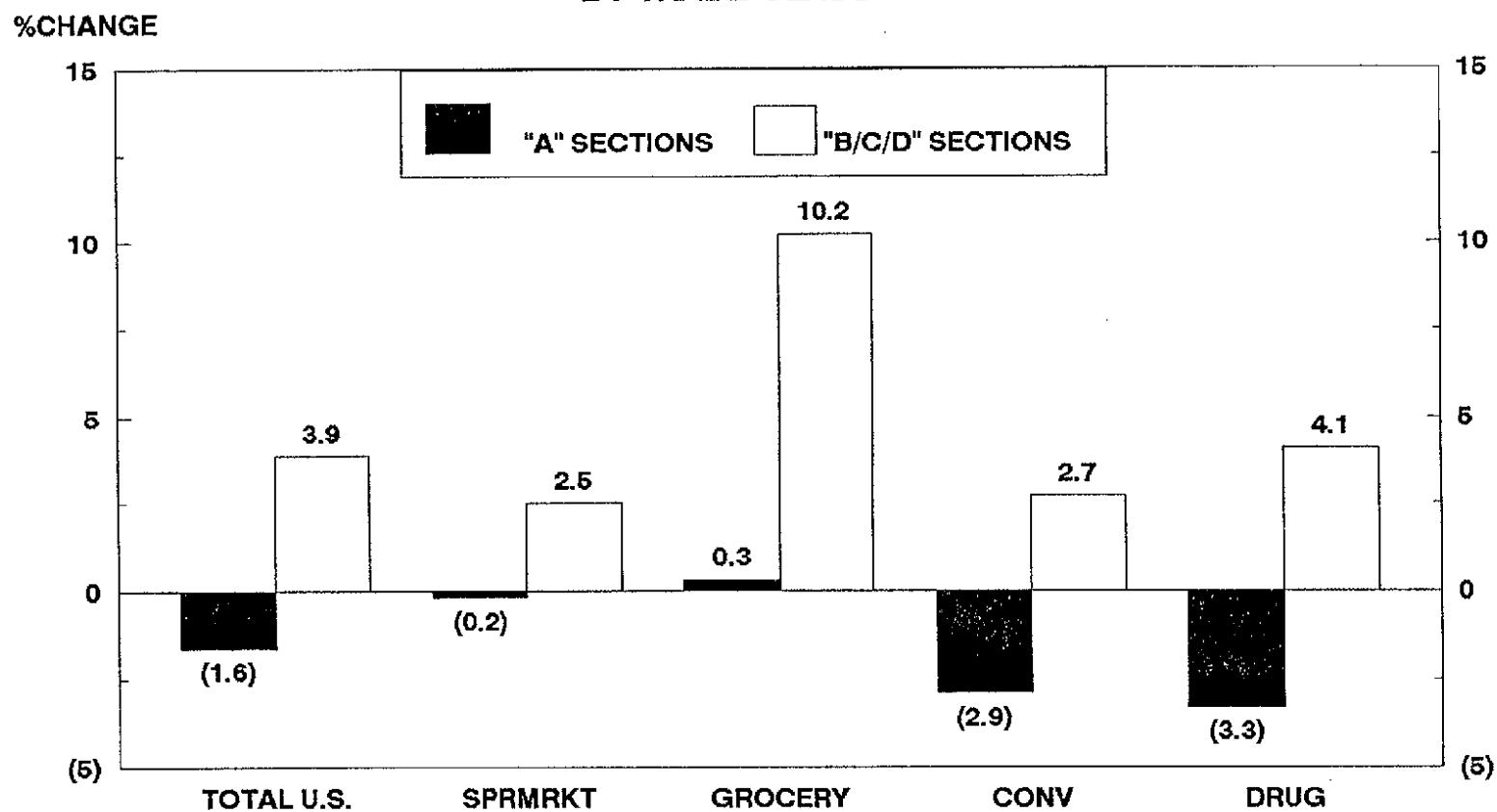


Source: New Nielsen 12mm September 1991

1NNBAR.CHT

2045044400

**PHILIP MORRIS VOLUME %CHANGE vs. YAG
BY TRADE CLASS**

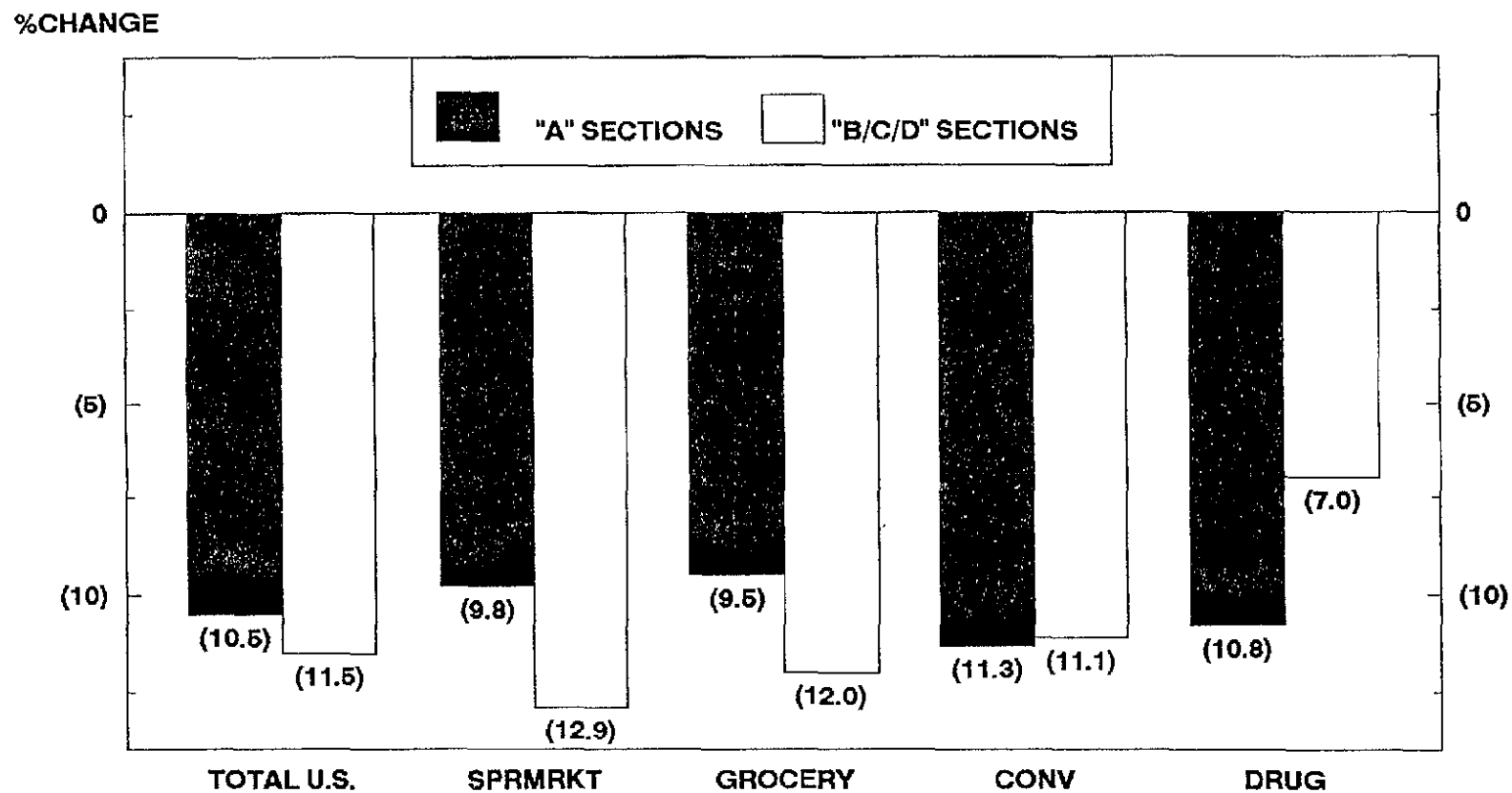


Source: New Nielsen 12mm September 1991

5NNBAR.CHT

2045044401

**INDUSTRY FM LESS PMORRIS VOLUME %CHANGE vs. YAG
BY TRADE CLASS**



Source: New Nielsen 12mm September 1991

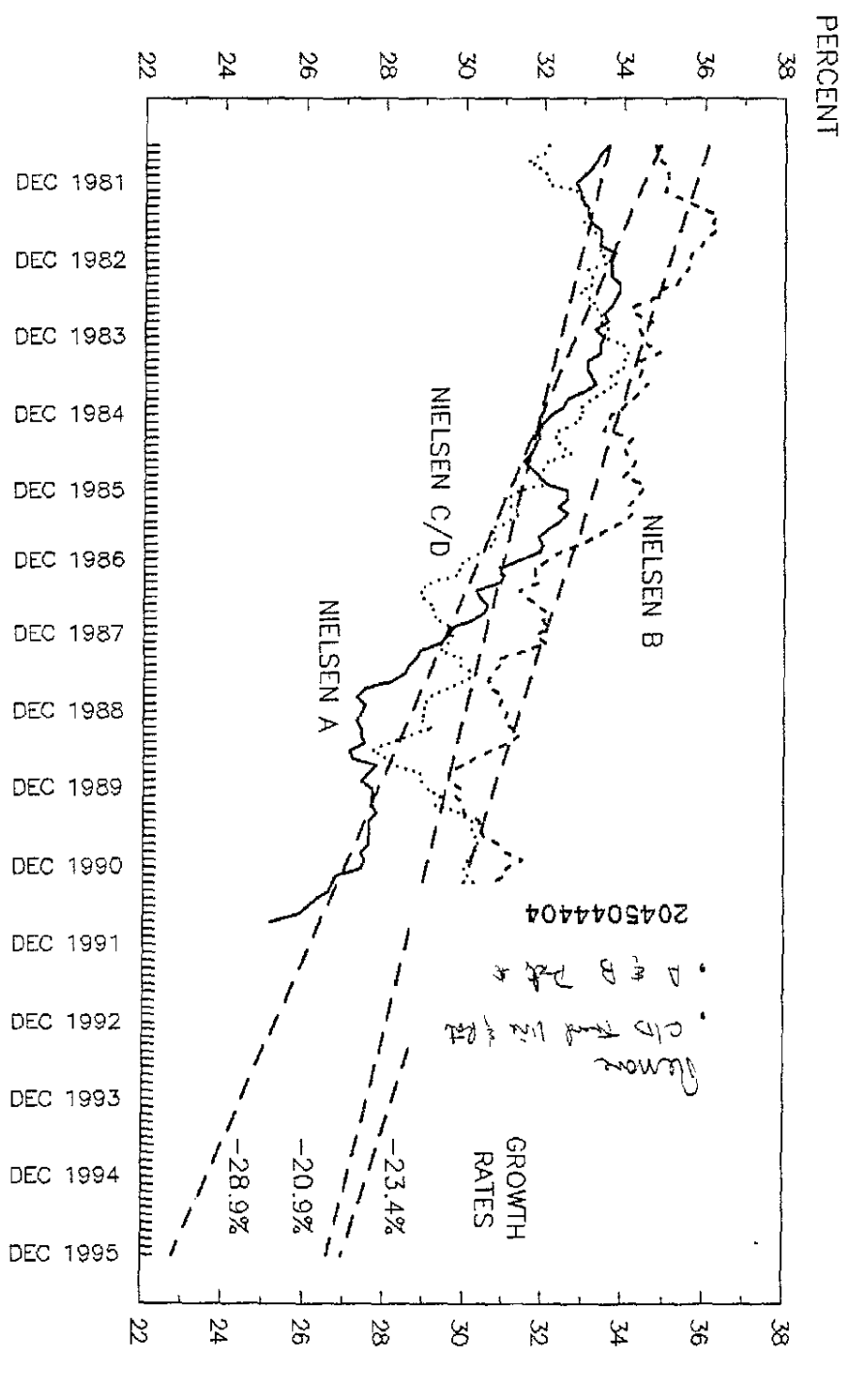
3NNBAR.CHT

2045044402

2045044403

Dynamics Beyond Our Control

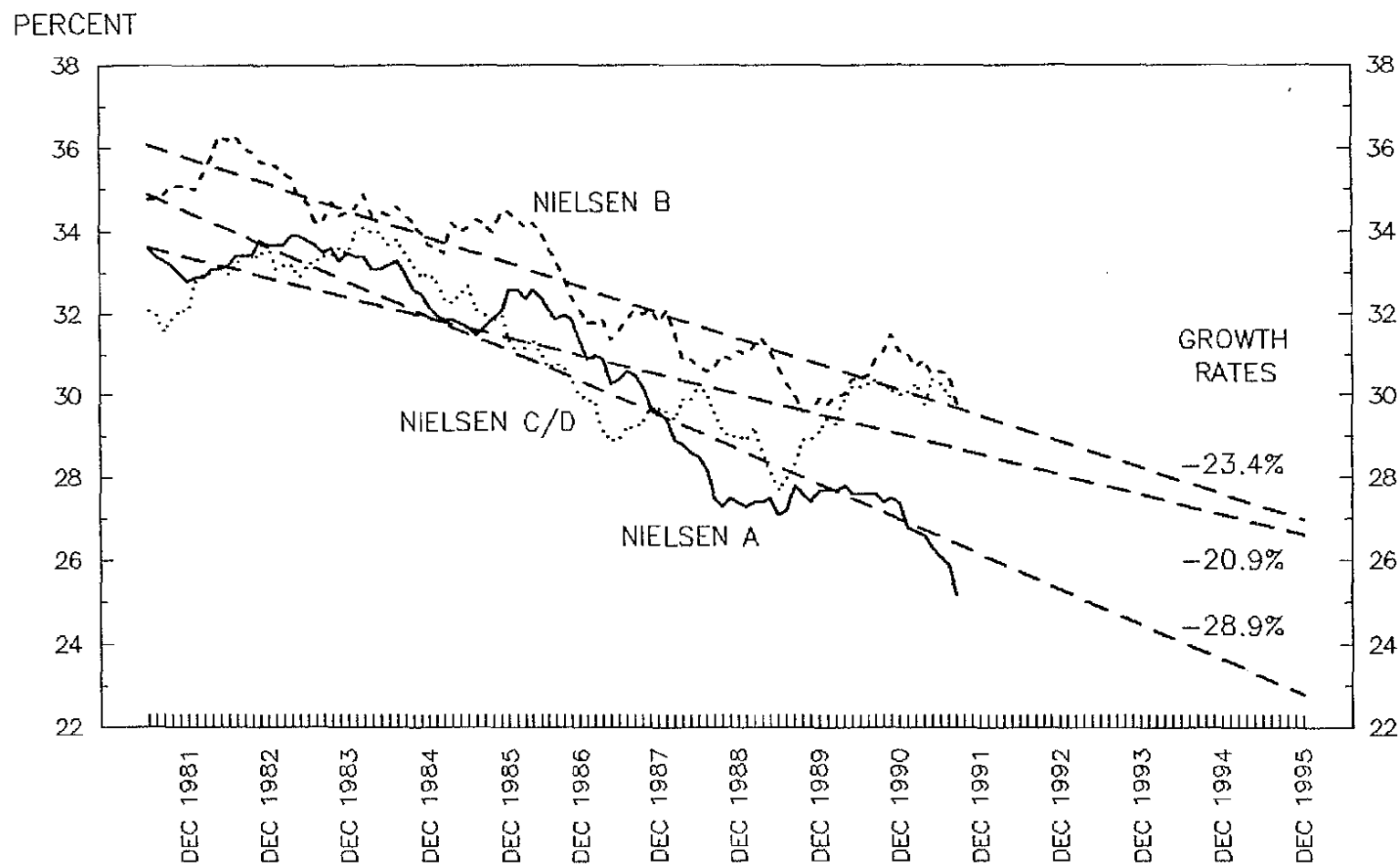
SMOKING INCIDENCE BY NIELSEN COUNTY TOTAL UNITED STATES



Source: Roper Reports

2045044405
2045044402

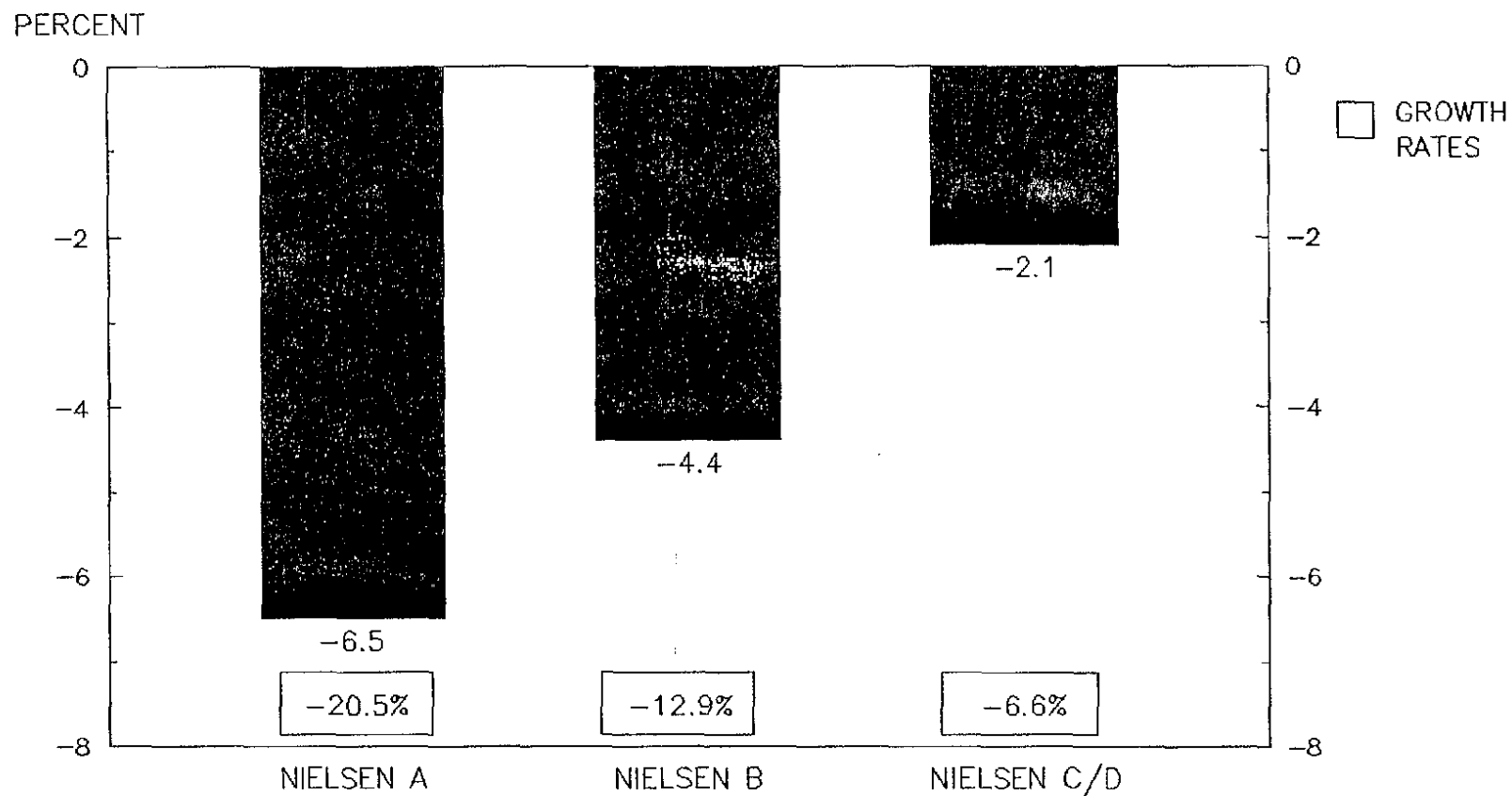
SMOKING INCIDENCE BY NIELSEN COUNTY TOTAL UNITED STATES



Source: Roper Reports

2045044405

CHANGE IN SMOKING INCIDENCE
BY NIELSEN COUNTY
Y/E AUGUST 1991 vs. Y/E AUGUST 1985

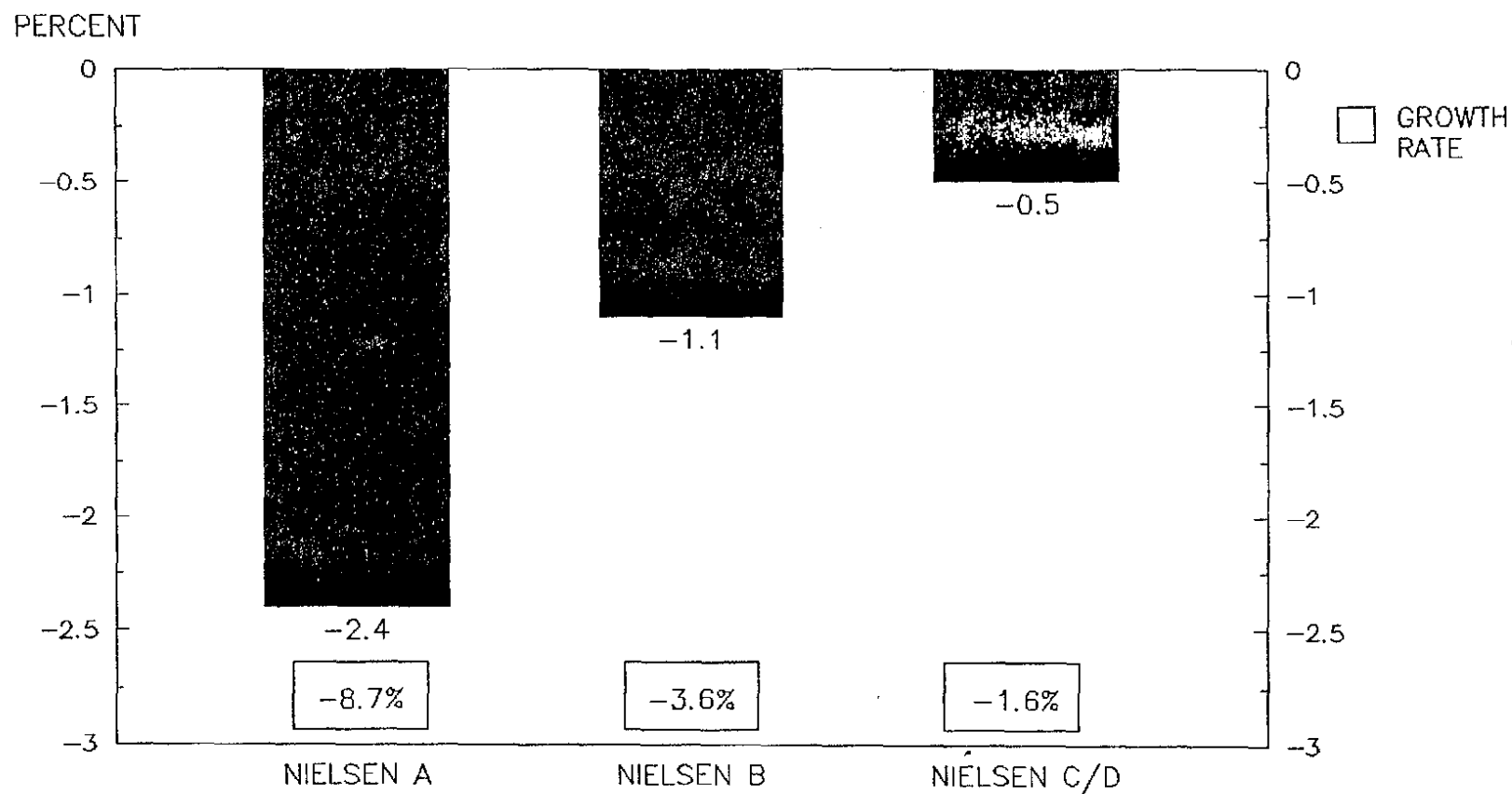


Source: Roper Reports

19185/BP

2045044406

CHANGE IN SMOKING INCIDENCE
BY NIELSEN COUNTY
Y/E AUGUST 1991 vs. Y/E AUGUST 1990



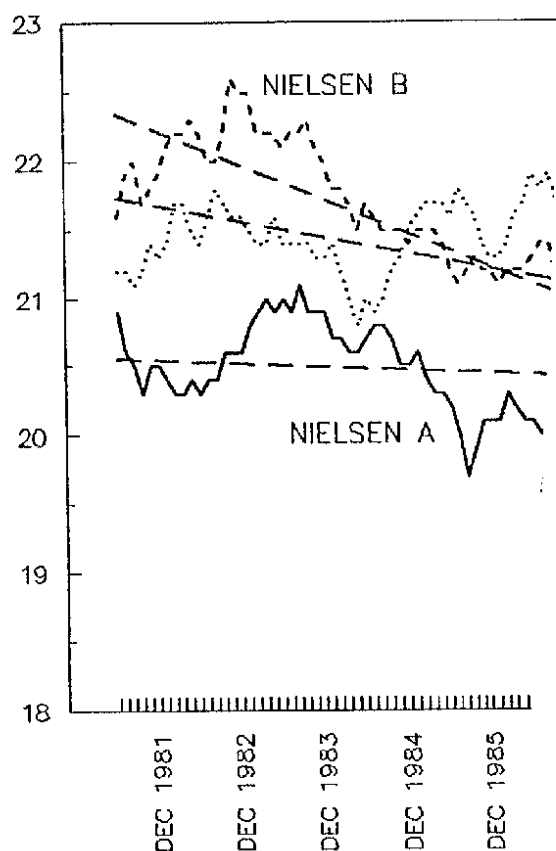
Source: Roper Reports

19190/BP

2045044407

UNIT CONSUMPTION BY NIELSEN COUNTY TOTAL UNITED STATES

CIGS/DAY



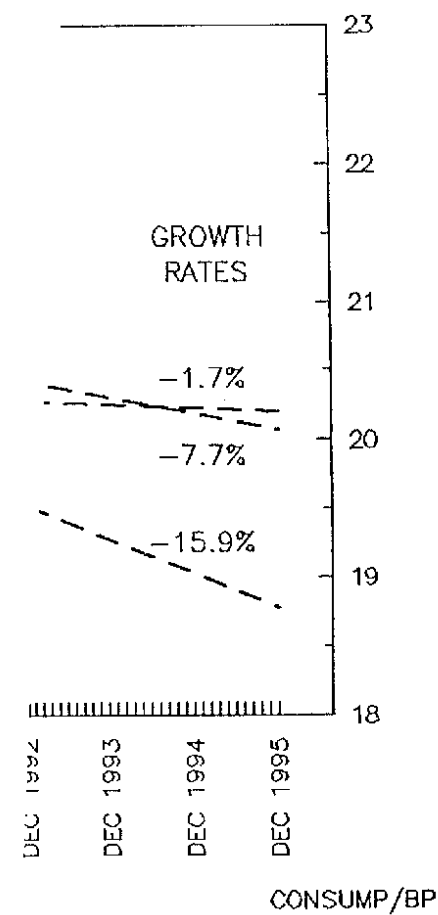
2045044408

Source: Roper Reports

2045044409

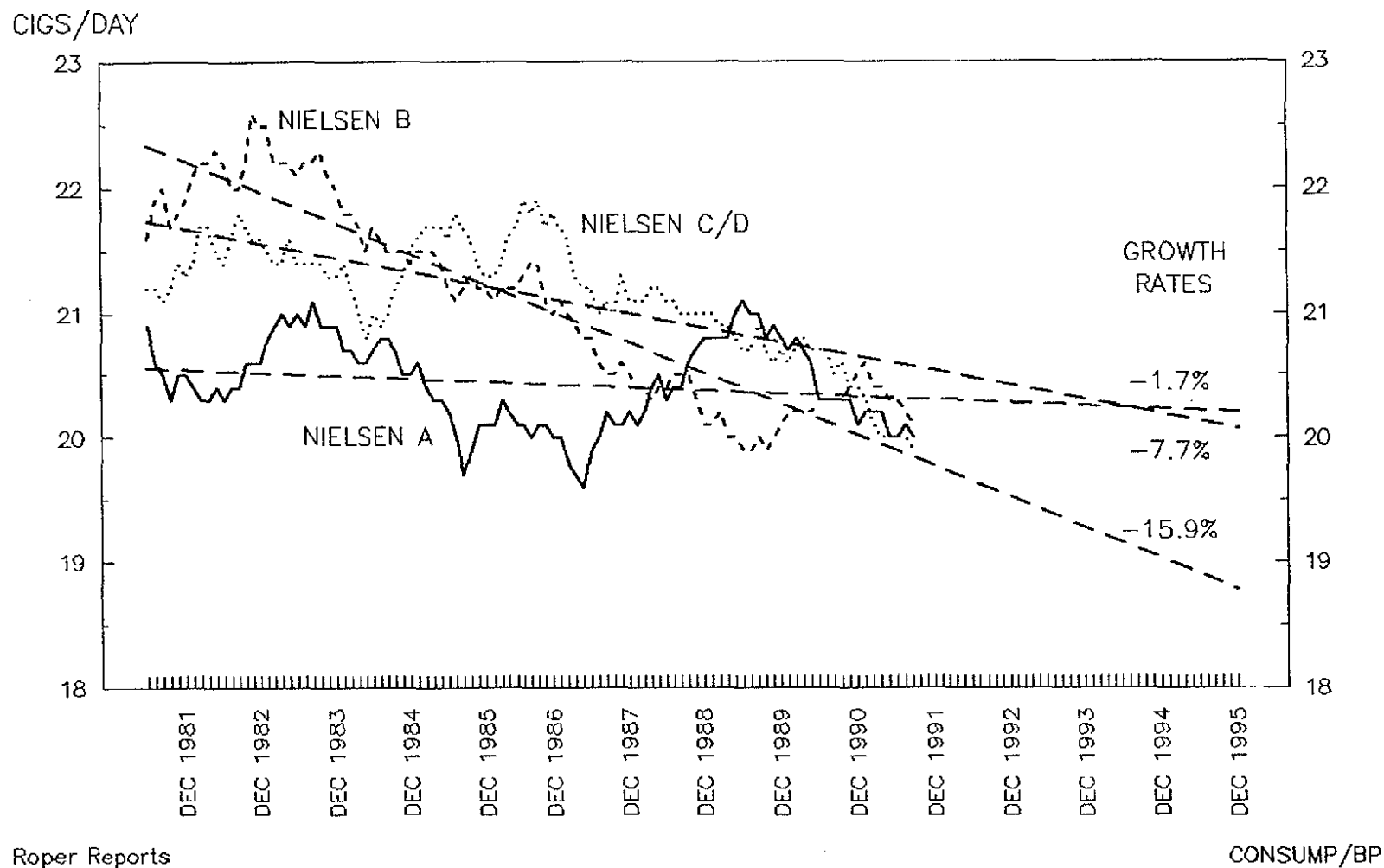
*known trend line
all growth rates*

GROWTH
RATES



CONSUMP/BP

UNIT CONSUMPTION BY NIELSEN COUNTY TOTAL UNITED STATES



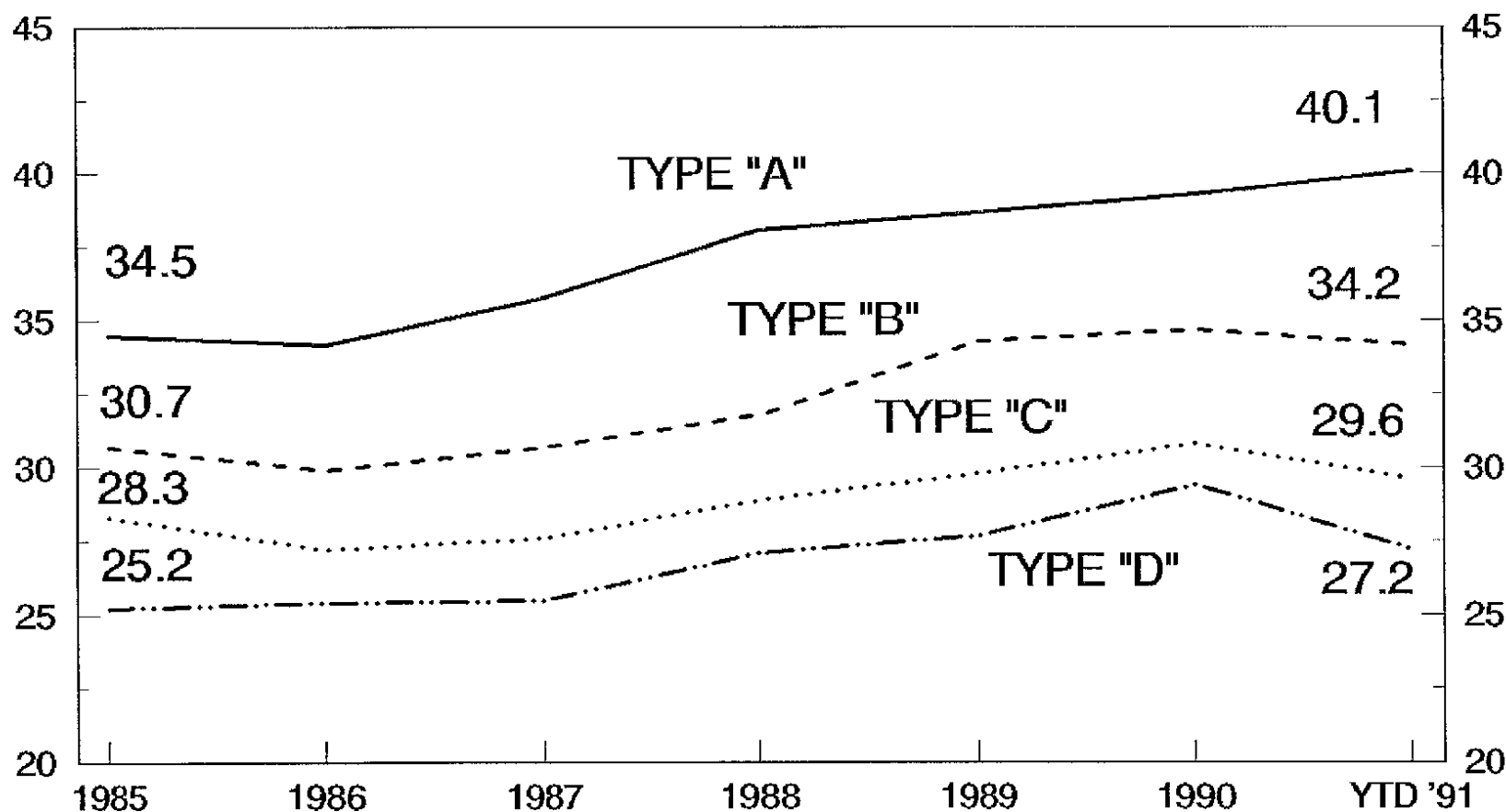
Source: Roper Reports

2045044409

INDUSTRY SHIFT TO PACK PURCHASING

BY NIELSEN COUNTY TYPE

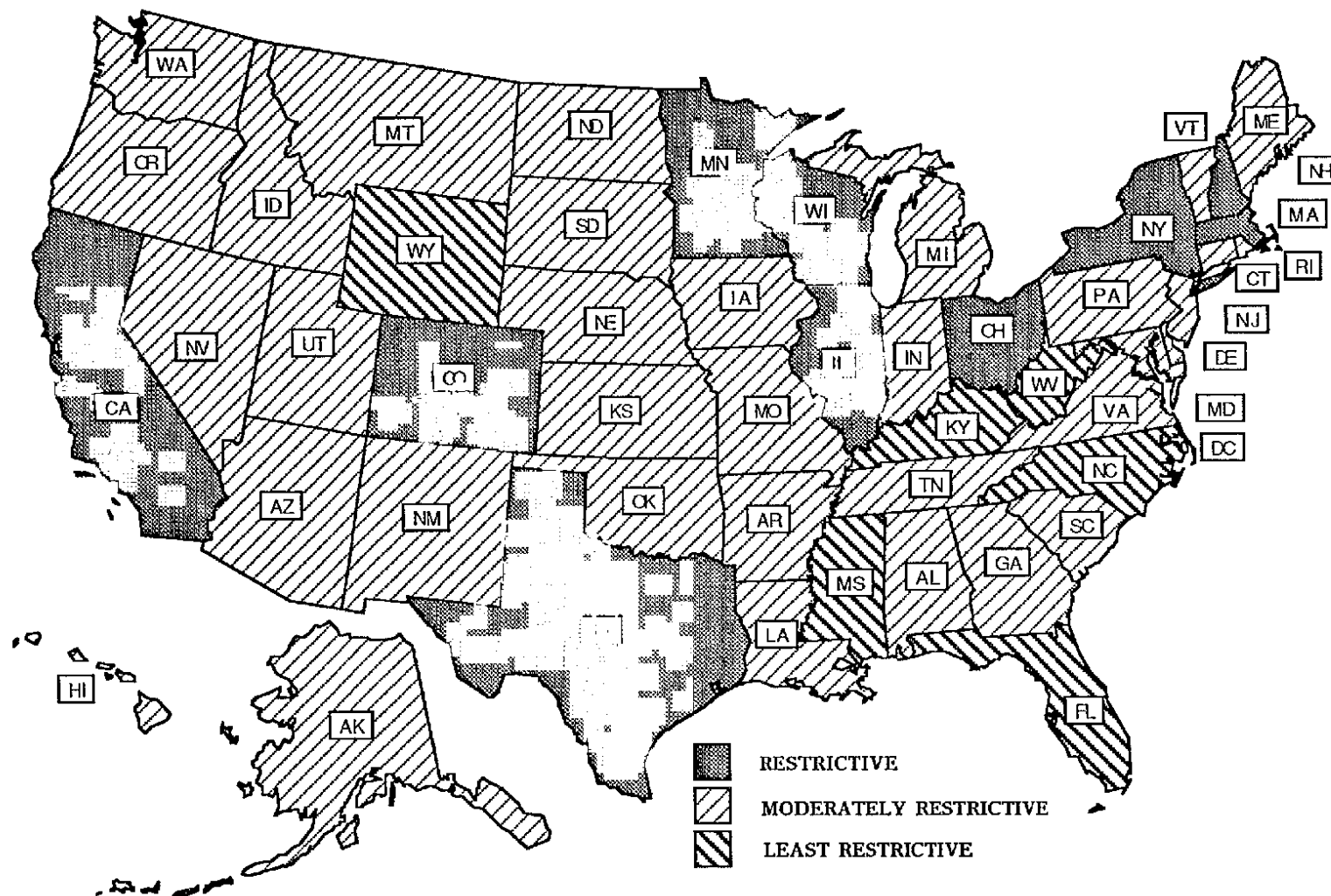
PERCENT



SOURCE: PM TRACKING
NIELSPACK/MENTHOL

2045044410

SMOKING RESTRICTIONS



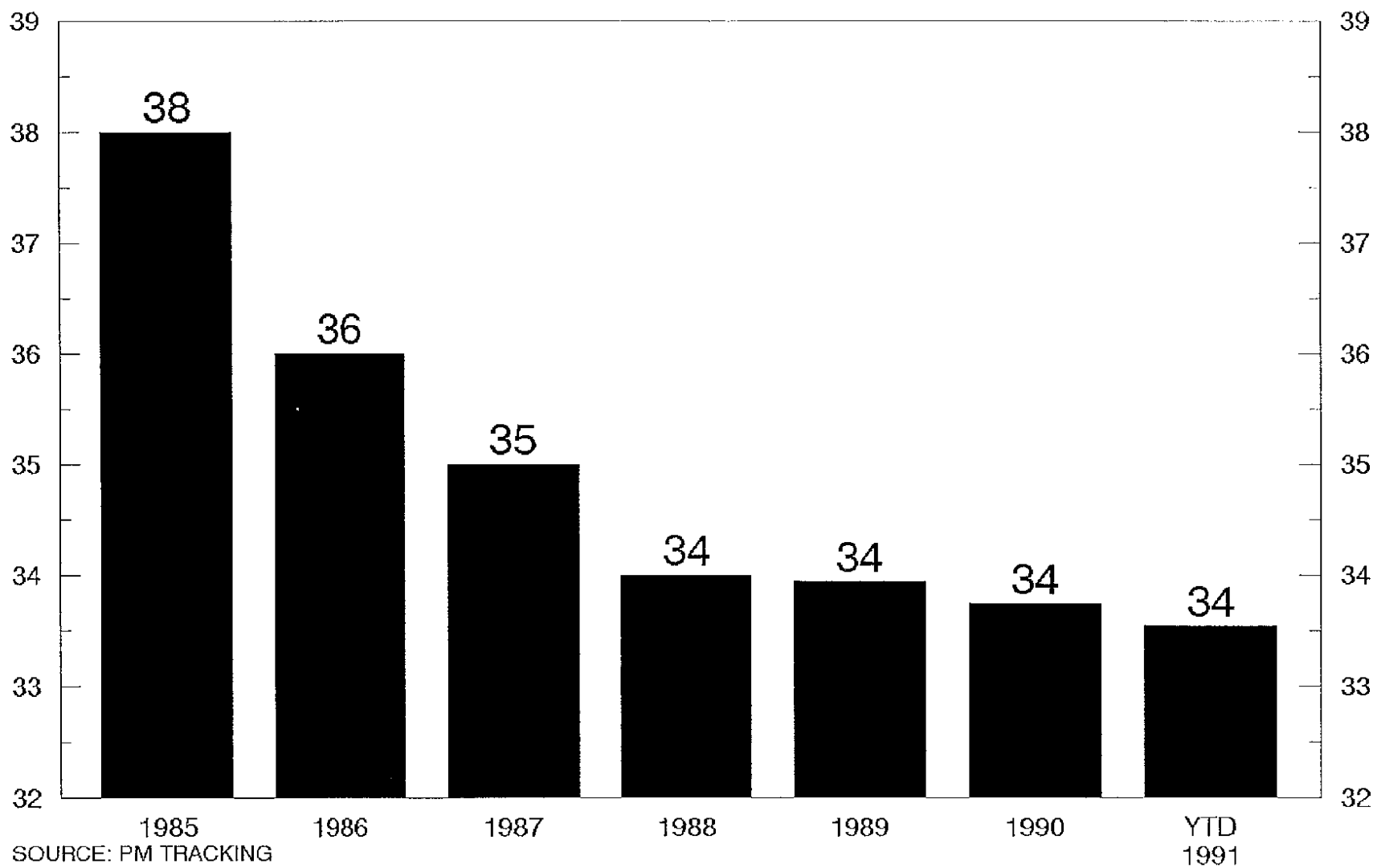
Determined by the state restriction language and the number of localities imposing restrictions

SOURCE: PM USA ISSUES MANAGEMENT

2045044411

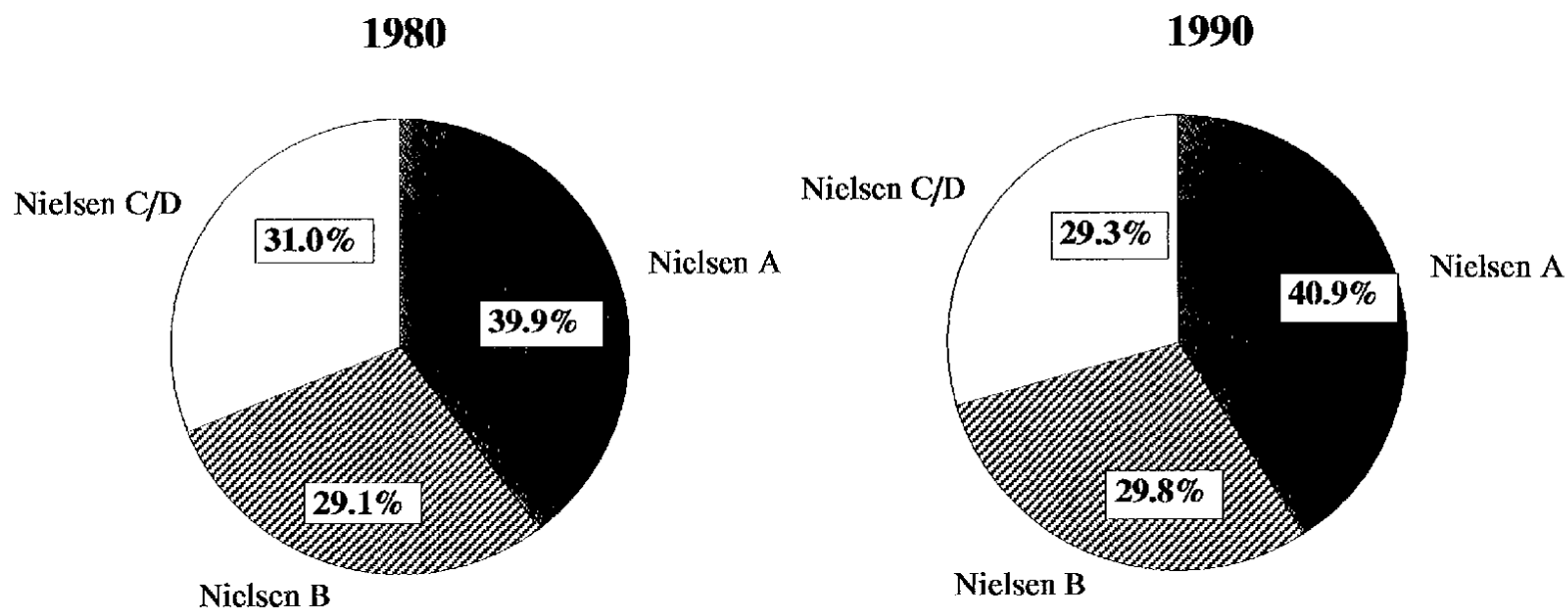
SMOKER SHIFT FROM NIELSEN "A" COUNTIES

% OF SMOKERS



2045044412

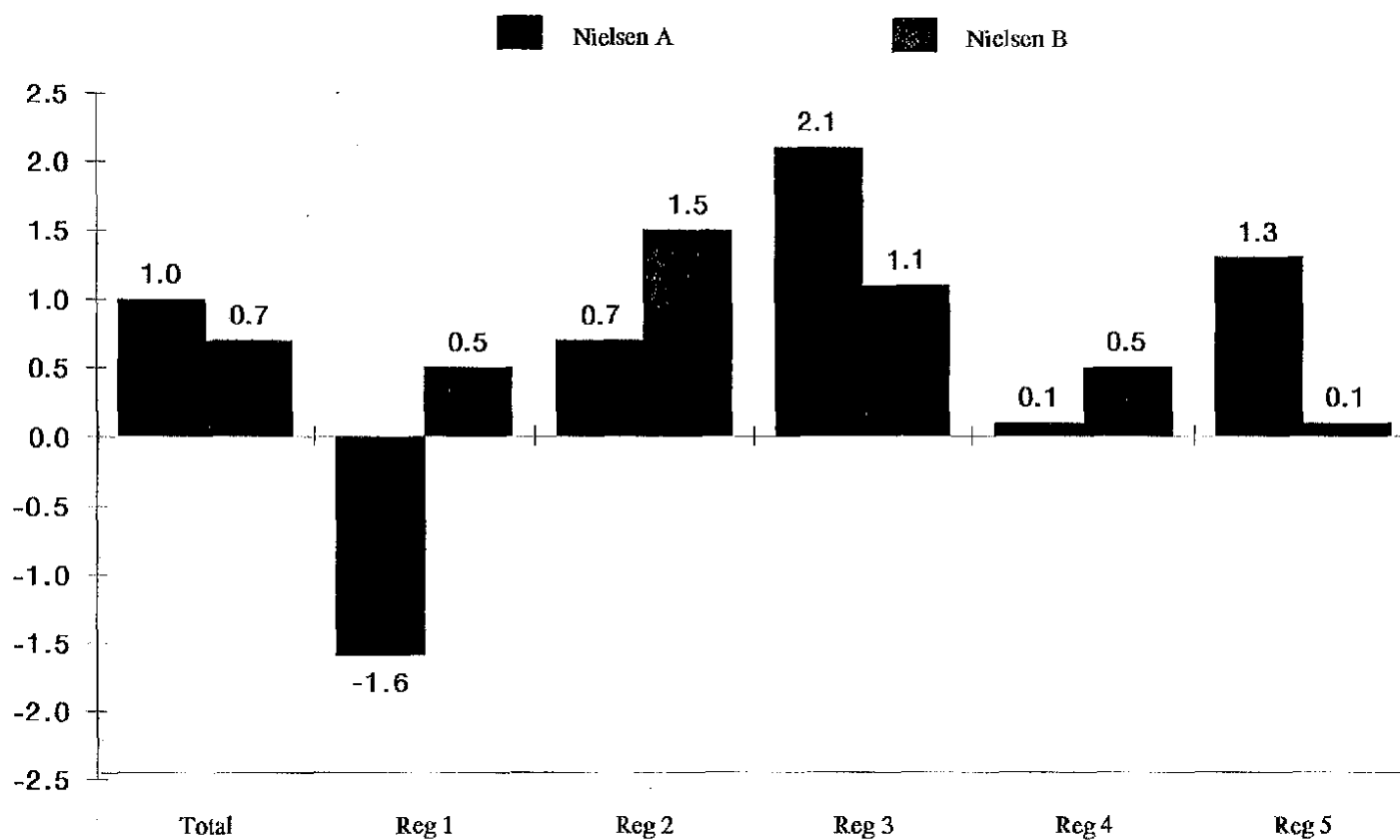
ADULT POPULATION SHIFT
TOTAL U.S. BY NIELSEN COUNTY
1980 vs 1990



SOURCE: Market Statistics Year Ending Estimates

2045044413

ADULT POPULATION SHIFT PM REGION BY NIELSEN COUNTY 1980 vs 1990



SOURCE: Market Statistics Year Ending Estimates

2045044414

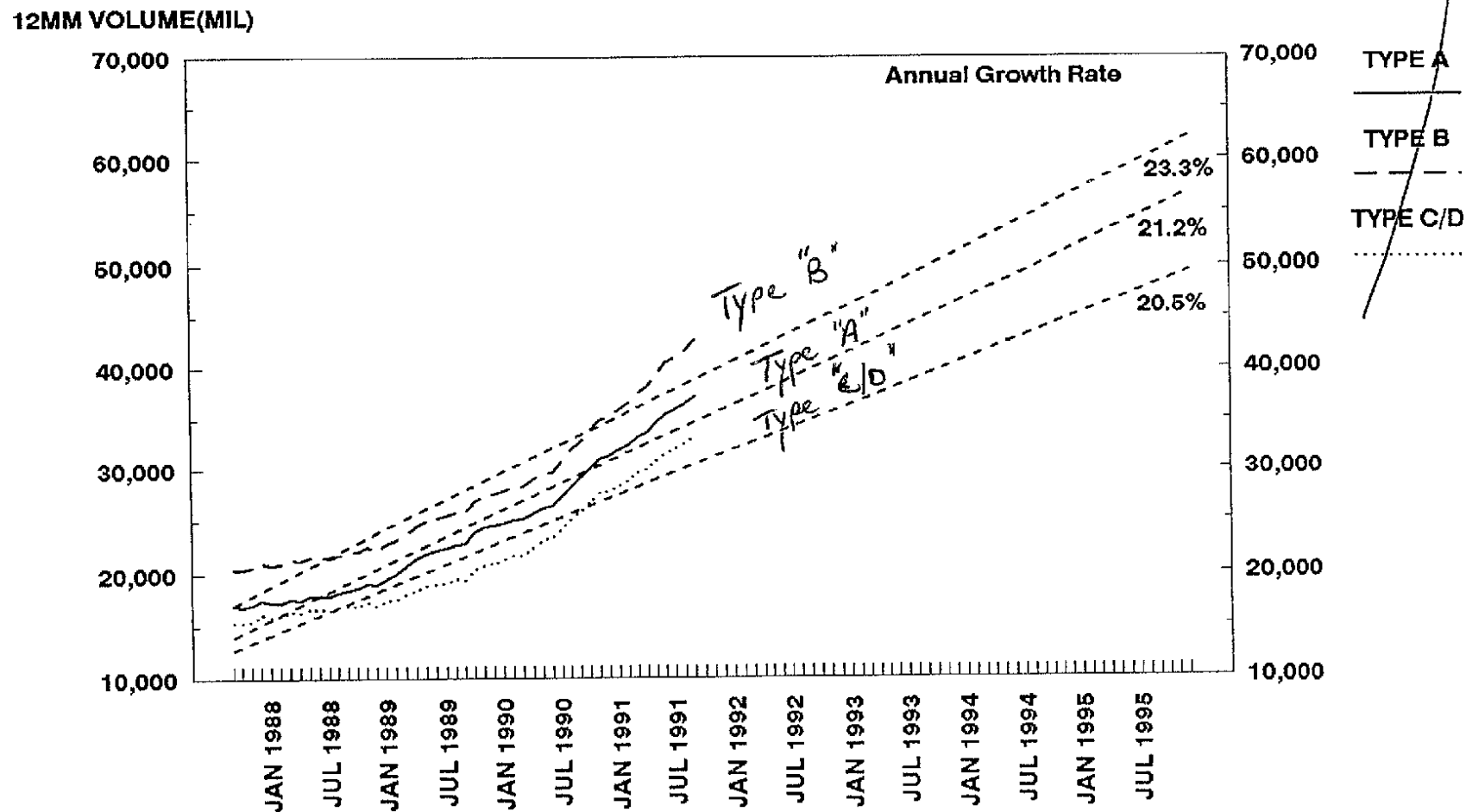
Adult Population Shift

- Population is growing in all country types
- Rate of growth is slowing across the board
- Profile is shifting to Nielsen A/B job centers
- Shift softens underlying A/B category weakness
- Relative strength in C/D Areas indicates ^{slower} ~~Adverse~~ ~~losses~~ ~~per capita~~ volume loss per capita
- More ~~monthly~~ ^{smokers} exposed to harsher smoking environment
- Coming from Geos where PV legitimacy is stronger



Metropolitan Development
vs
Exposure to
Demographics and Price Value Conversion
✓
2 Growth

VOLUME BY COUNTY TYPE
TYPE A SECTIONS VS. TYPE B VS. TYPE C/D SECTIONS
TOTAL INDUSTRY PRICE VALUE

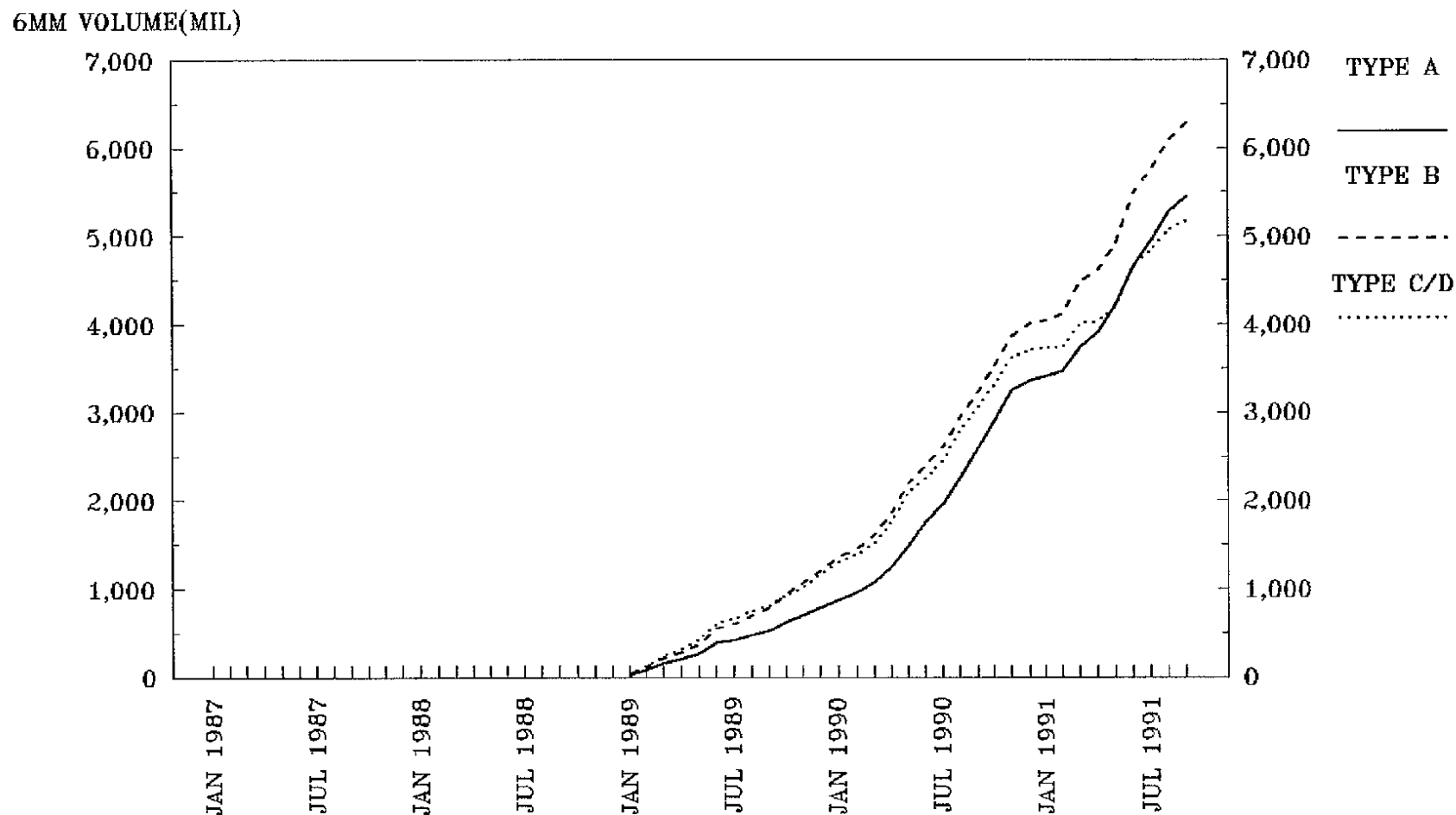


Source: MSADData, 12mm Volume(Millions)

12VINDPV.CHT

2045044417

VOLUME BY COUNTY TYPE TYPE A VS. TYPE B VS. TYPE C/D TRADING AREAS TOTAL SUB-GENERIC



Source: MSADData, 6mm Volume(Millions)

MSAVSBGNR.CHT

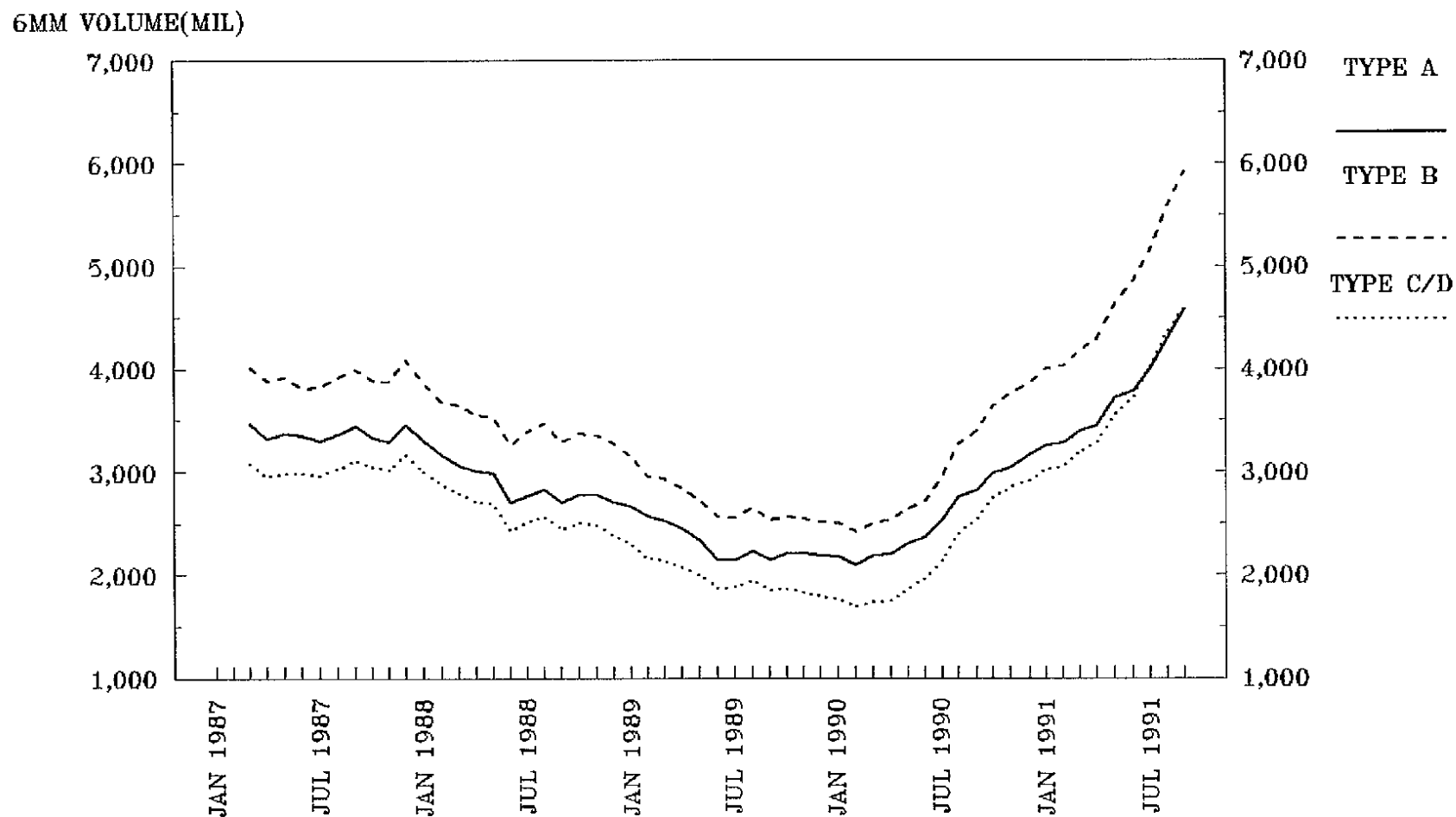
2045044418

2045044419

Gen 047

Brand

VOLUME BY COUNTY TYPE
 TYPE A VS. TYPE B VS. TYPE C/D TRADING AREAS
 TOTAL BLACK * WHITE/GNR PRIVATE LABEL

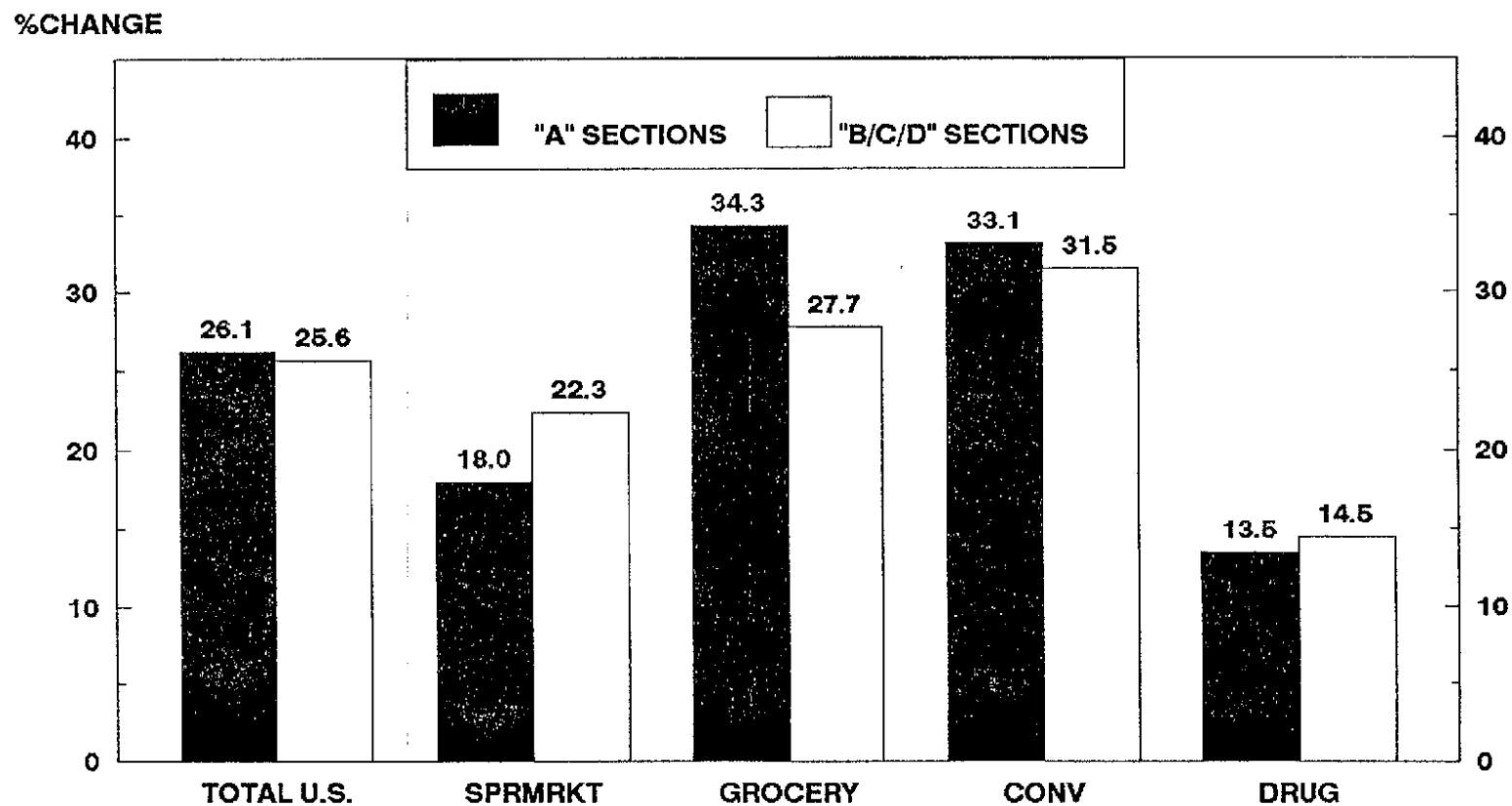


Source: MSADData, 6mm Volume(Millions)

MSAVGNR.CHT

2045044420

**INDUSTRY PRICE VALUE VOLUME %CHANGE vs. YAG
BY TRADE CLASS**



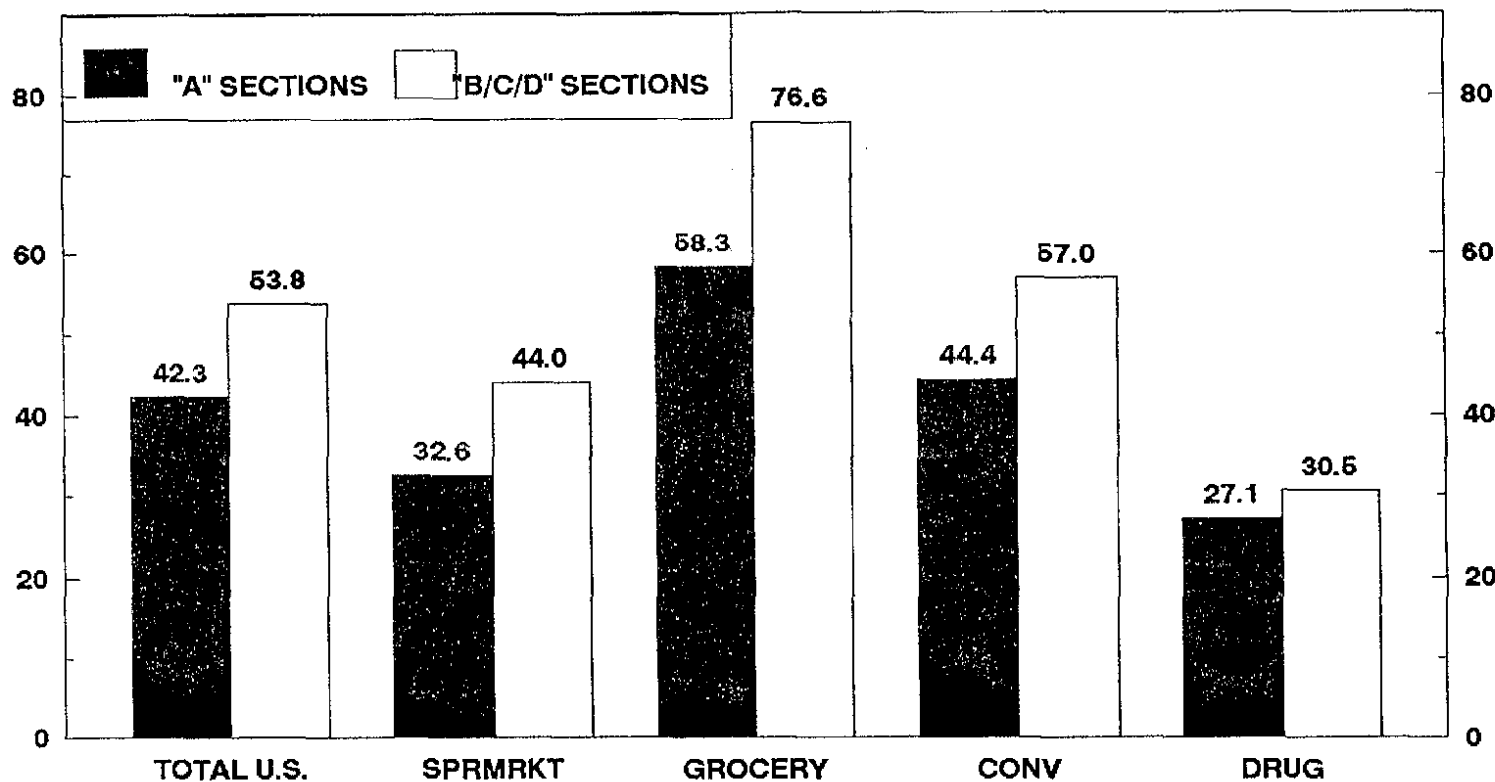
Source: New Nielsen 12mm September 1991

4NNBAR.CHT

2045044421

**PHILIP MORRIS PV VOLUME %CHANGE vs. YAG
BY TRADE CLASS**

%CHANGE



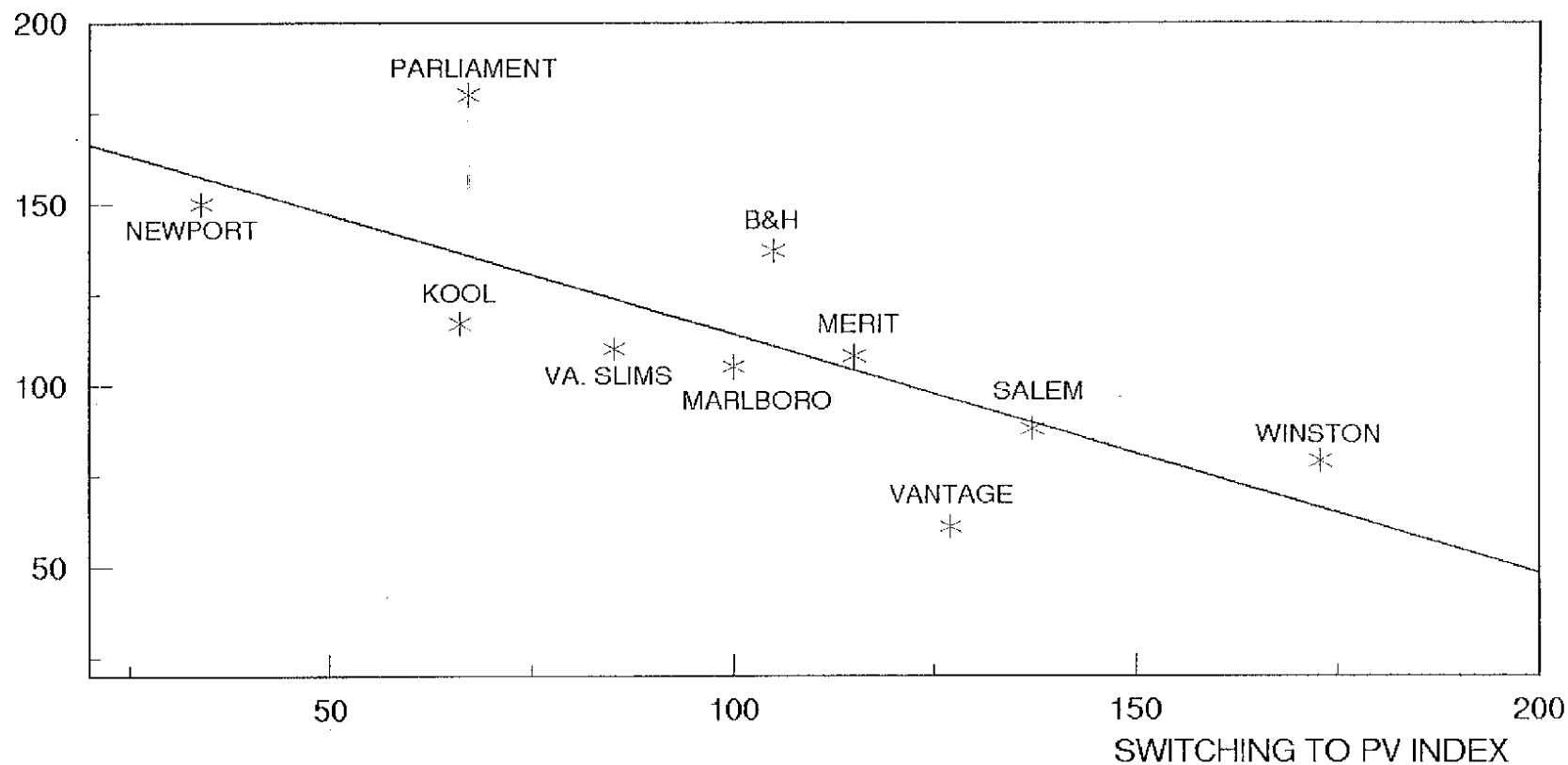
Source: New Nielsen 12mm September 1991

7NNBAR.CHT

2045044422

NIELSEN A COUNTY DEVELOPMENT VS. PRICE VALUE SWITCHING

MAJOR METRO INDEX



SOURCE: PM TRACKING 1989-1990

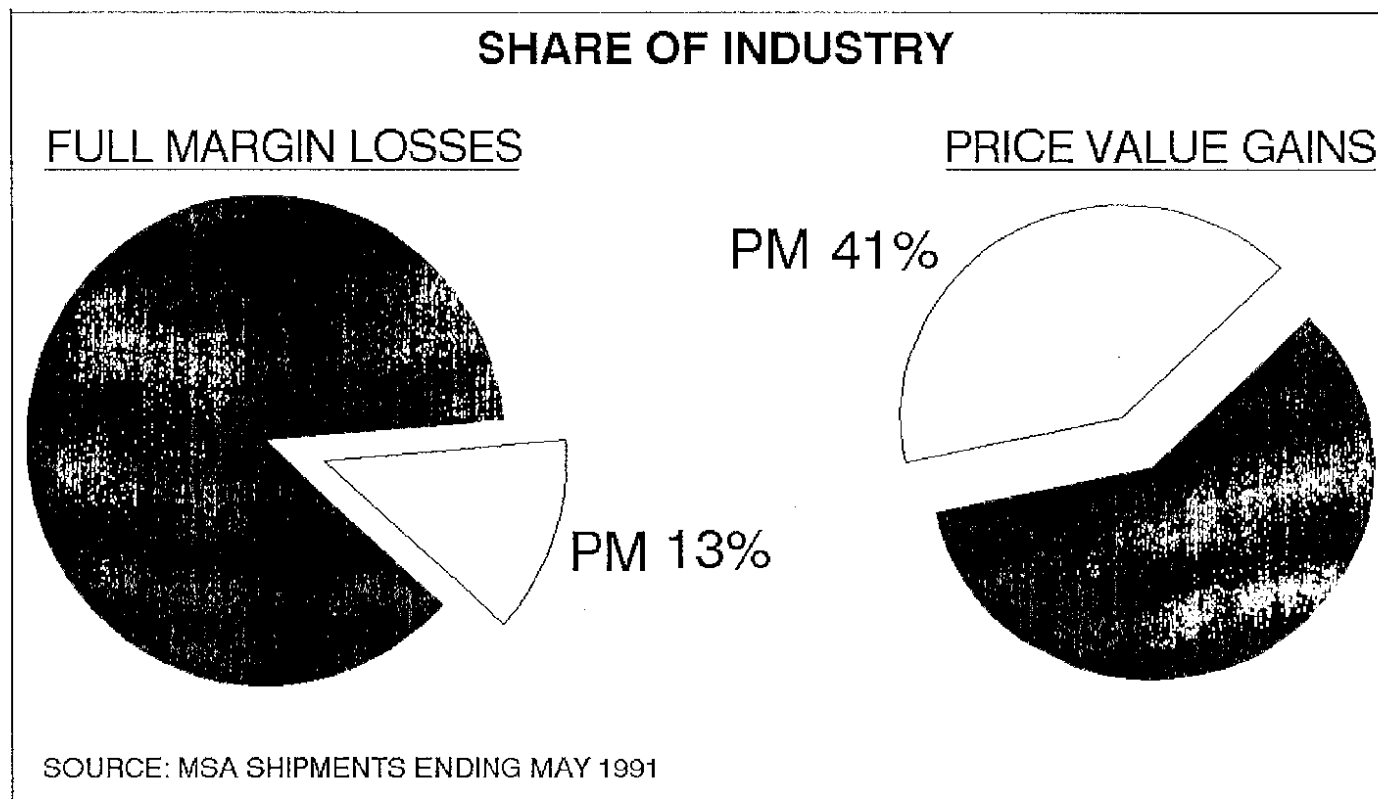
PVSWITCH/JP2

2045044423

Check sp?
Cumulative

CUMMULATIVE SHARE OF FM DECLINES & PV UNIT GROWTH

PHILIP MORRIS VS. BALANCE OF INDUSTRY
(BASE YEAR 1986)



CUMMULAT1/JP2

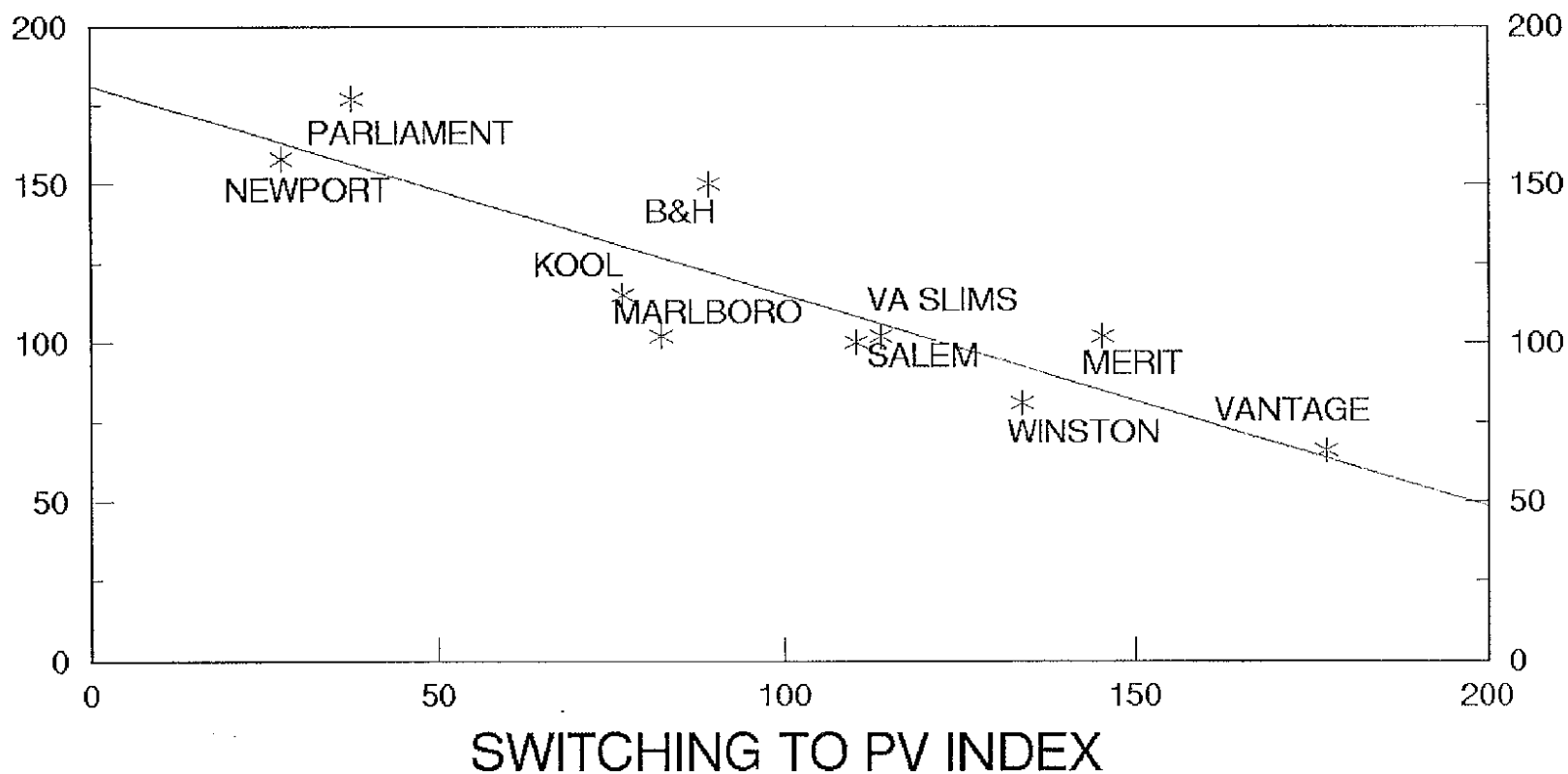
2045044424

NIELSEN A COUNTY DEVELOPMENT

VS

PRICE VALUE SWITCHING

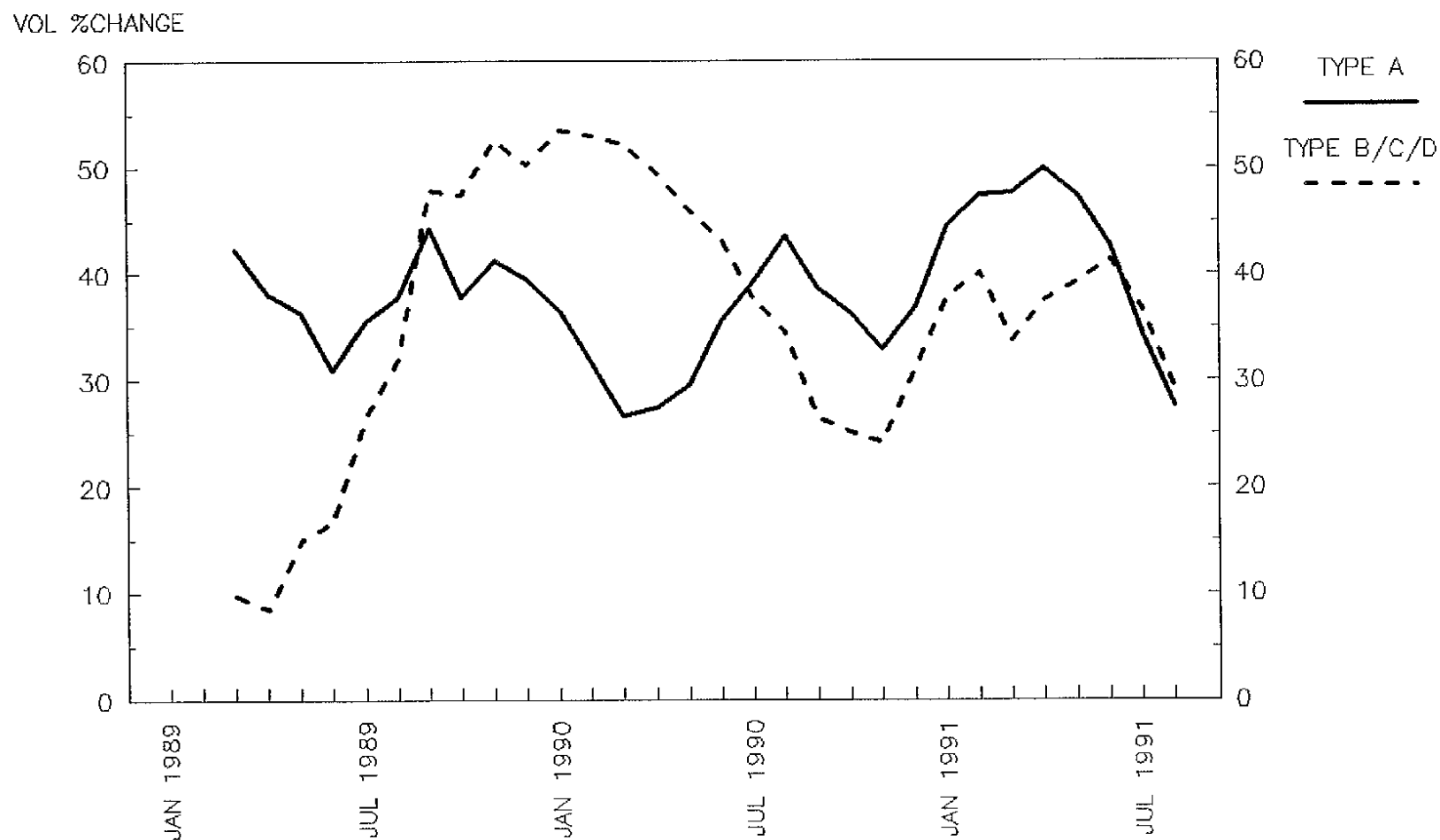
MAJOR METRO INDEX



SOURCE: PM TRACKING YTD 1991
PVSWITCH2/MENTHOL

2045044425

TOTAL PRICE VALUE
 3MM VOLUME %CHANGE VS. YEAR AGO
 TYPE A VS. TYPE B/C/D—TOTAL CONVENIENCE

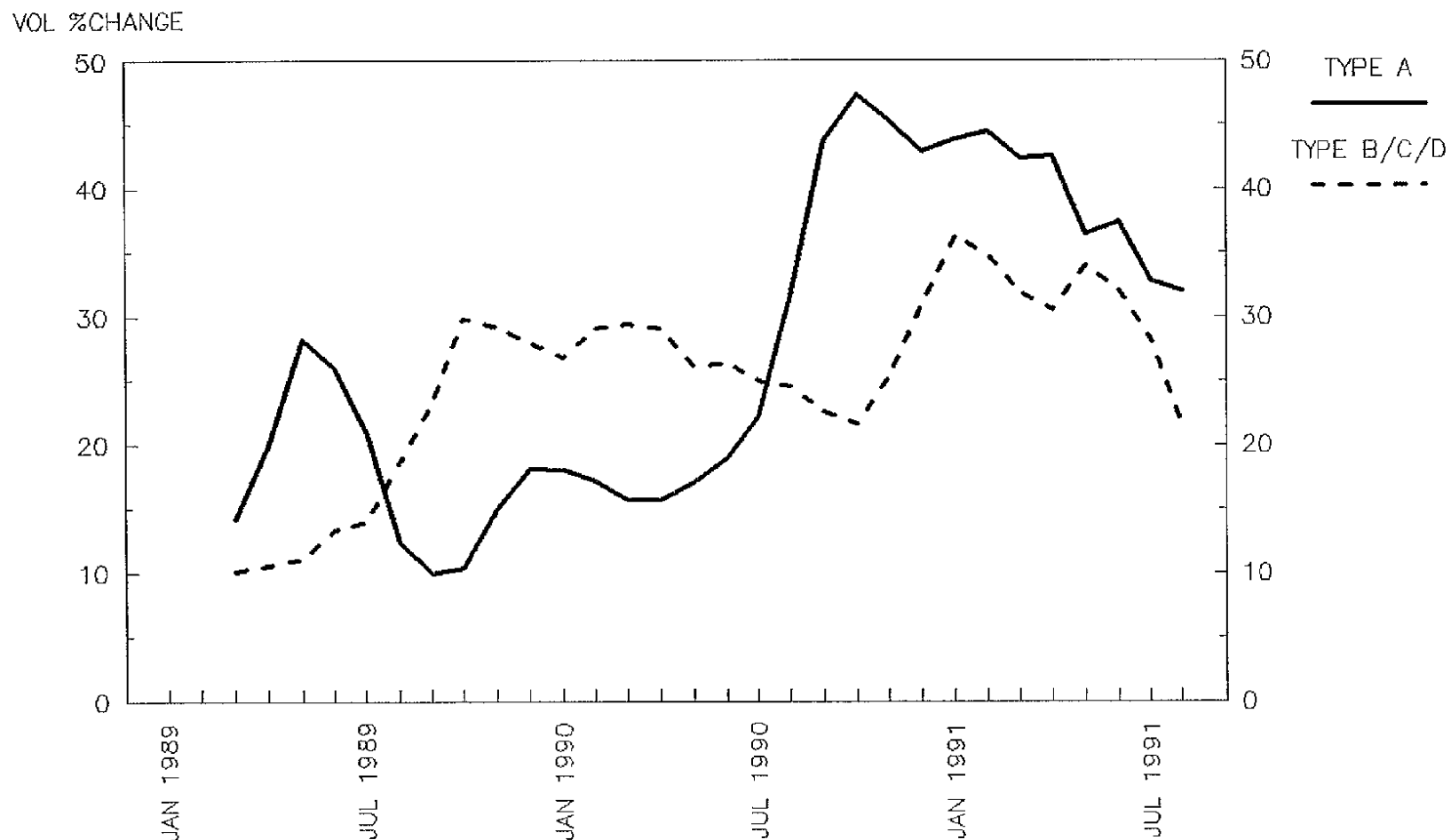


SOURCE: NEW NIELSEN

ACONPV.CHT

2045044426

TOTAL PRICE VALUE
3MM VOLUME %CHANGE VS. YEAR AGO
TYPE A VS. TYPE B/C/D---TOTAL GROCERY

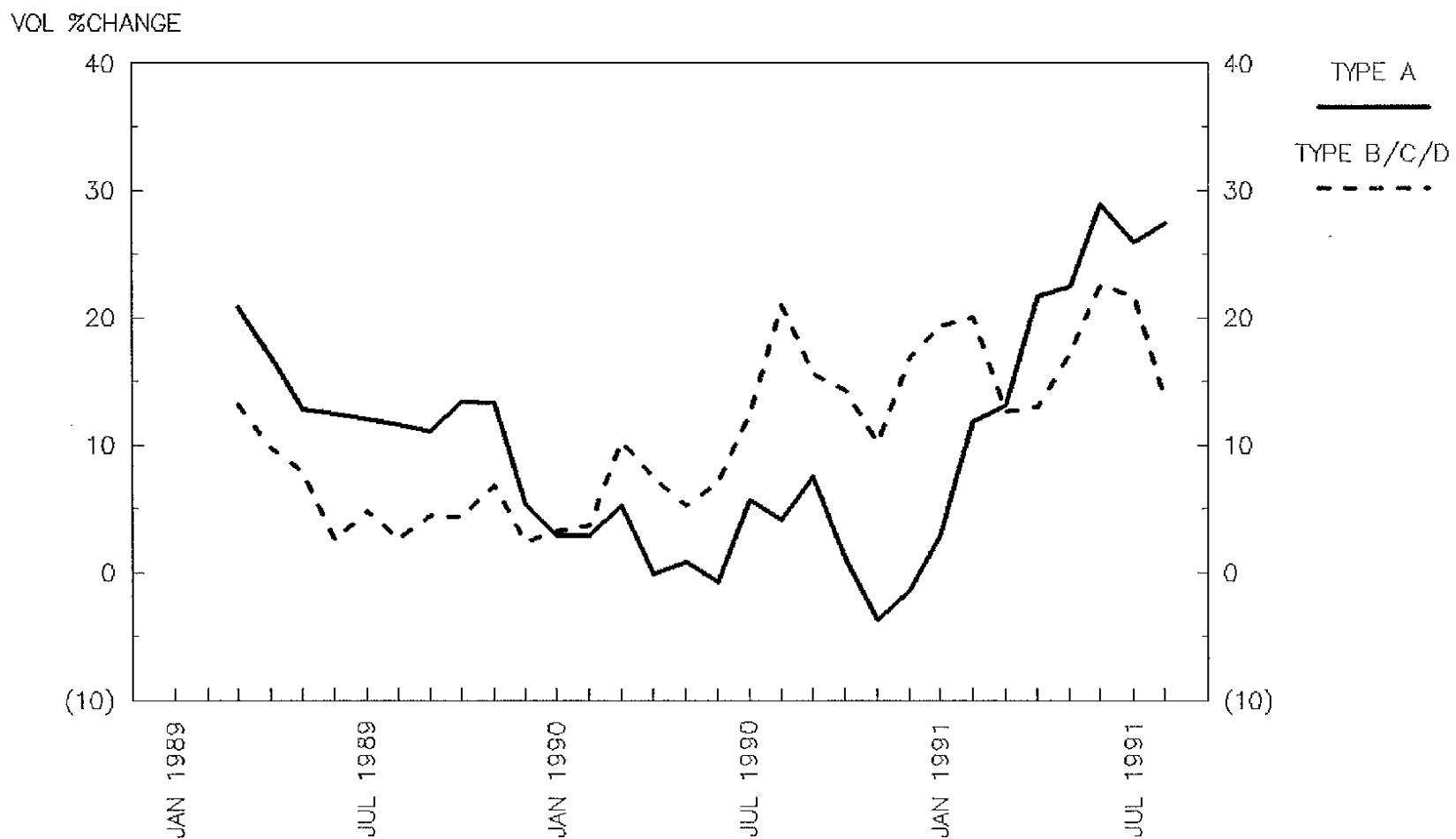


SOURCE: NEW NIELSEN

AGRPV.CHT

2045044427

TOTAL PRICE VALUE
3MM VOLUME %CHANGE VS. YEAR AGO
TYPE A VS. TYPE B/C/D---TOTAL DRUG

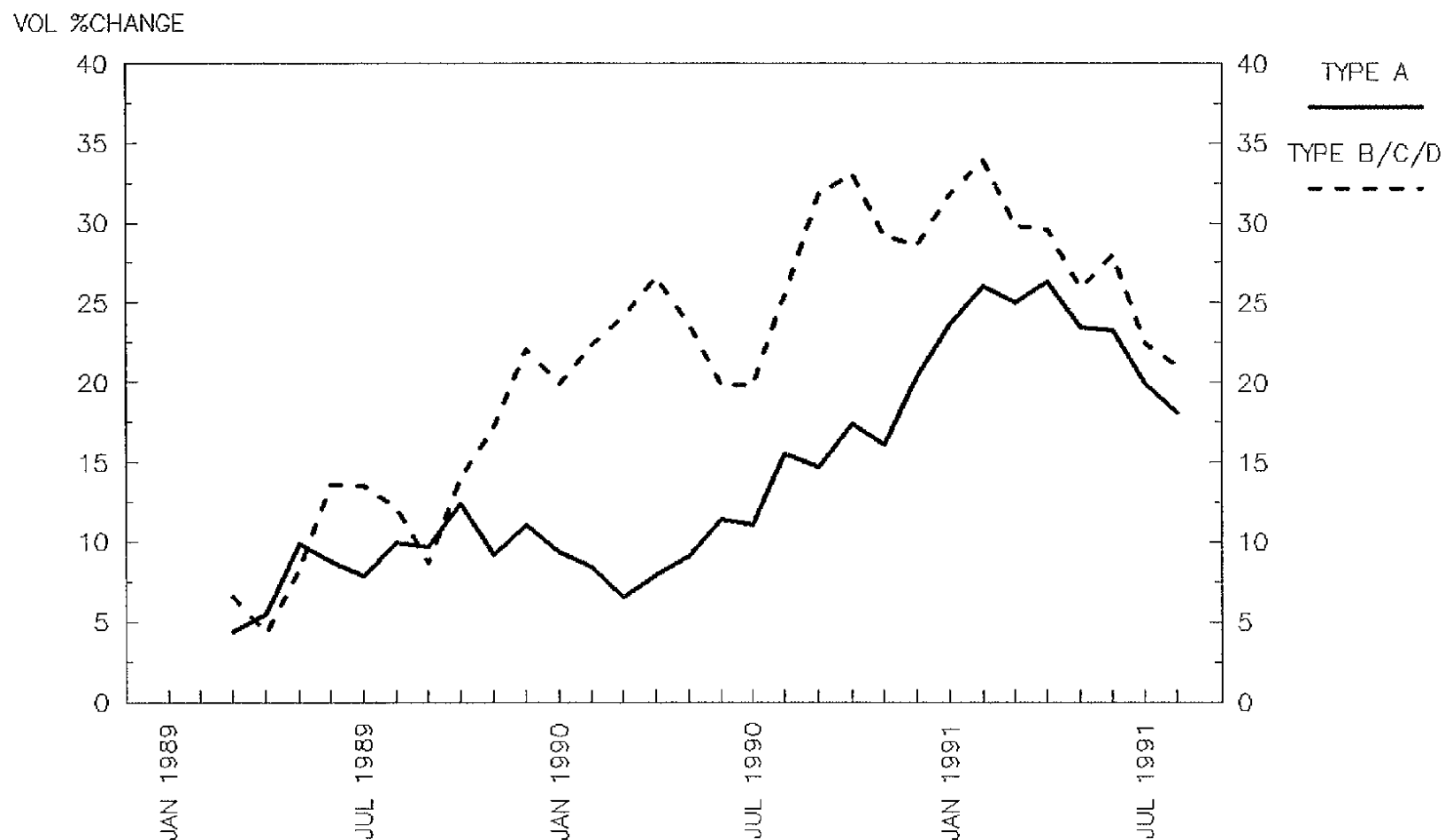


SOURCE: NEW NIELSEN

ADRPV.CHT

2045044428

TOTAL PRICE VALUE
3MM VOLUME %CHANGE VS. YEAR AGO
TYPE A VS. TYPE B/C/D--TOTAL SUPERMARKETS



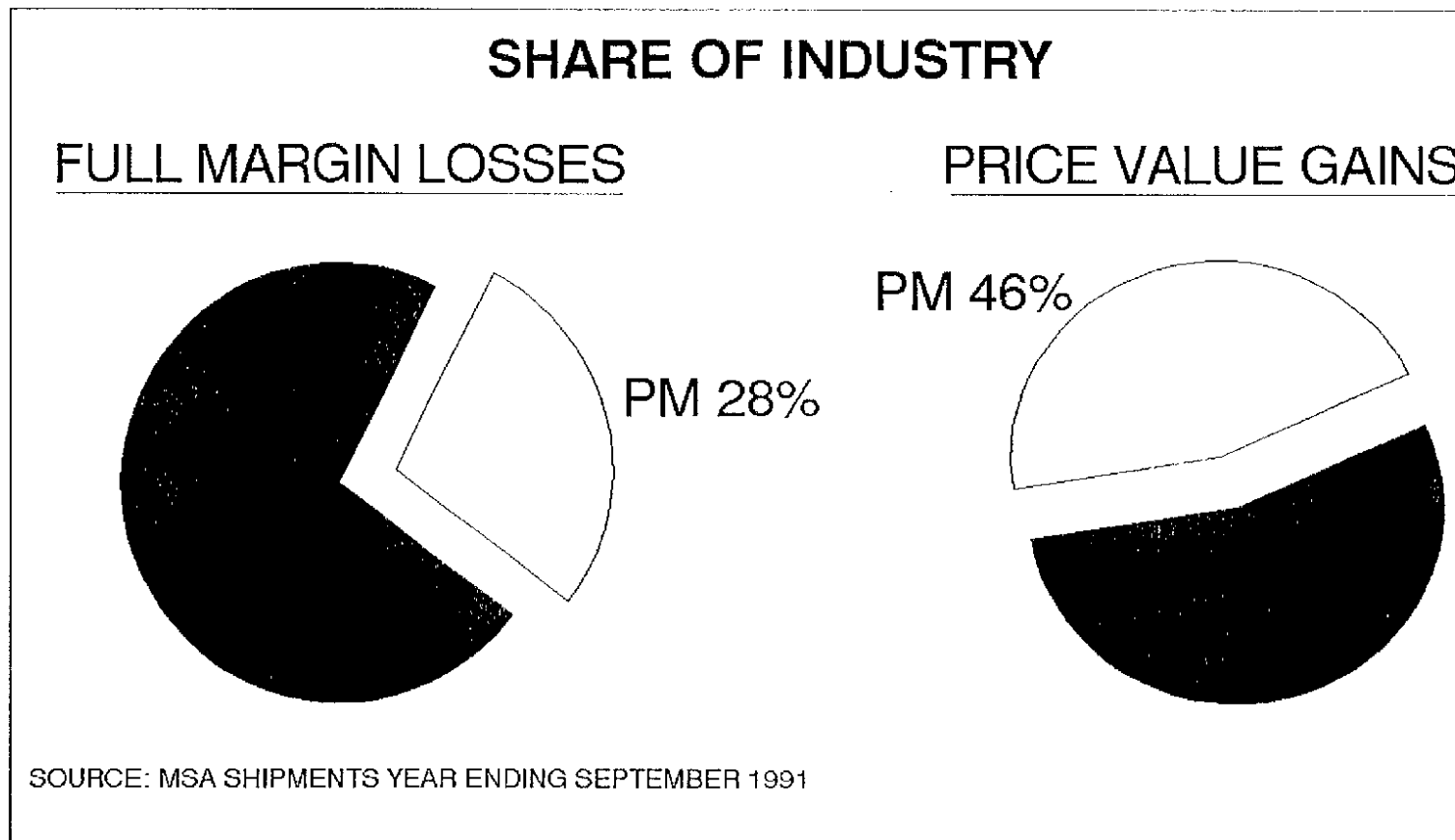
SOURCE: NEW NIELSEN

ASPPV.CHT

2045044429

SHARE OF FM DECLINES & PV UNIT GROWTH

PHILIP MORRIS VS. BALANCE OF INDUSTRY
(BASE YEAR SEPTEMBER 1990)

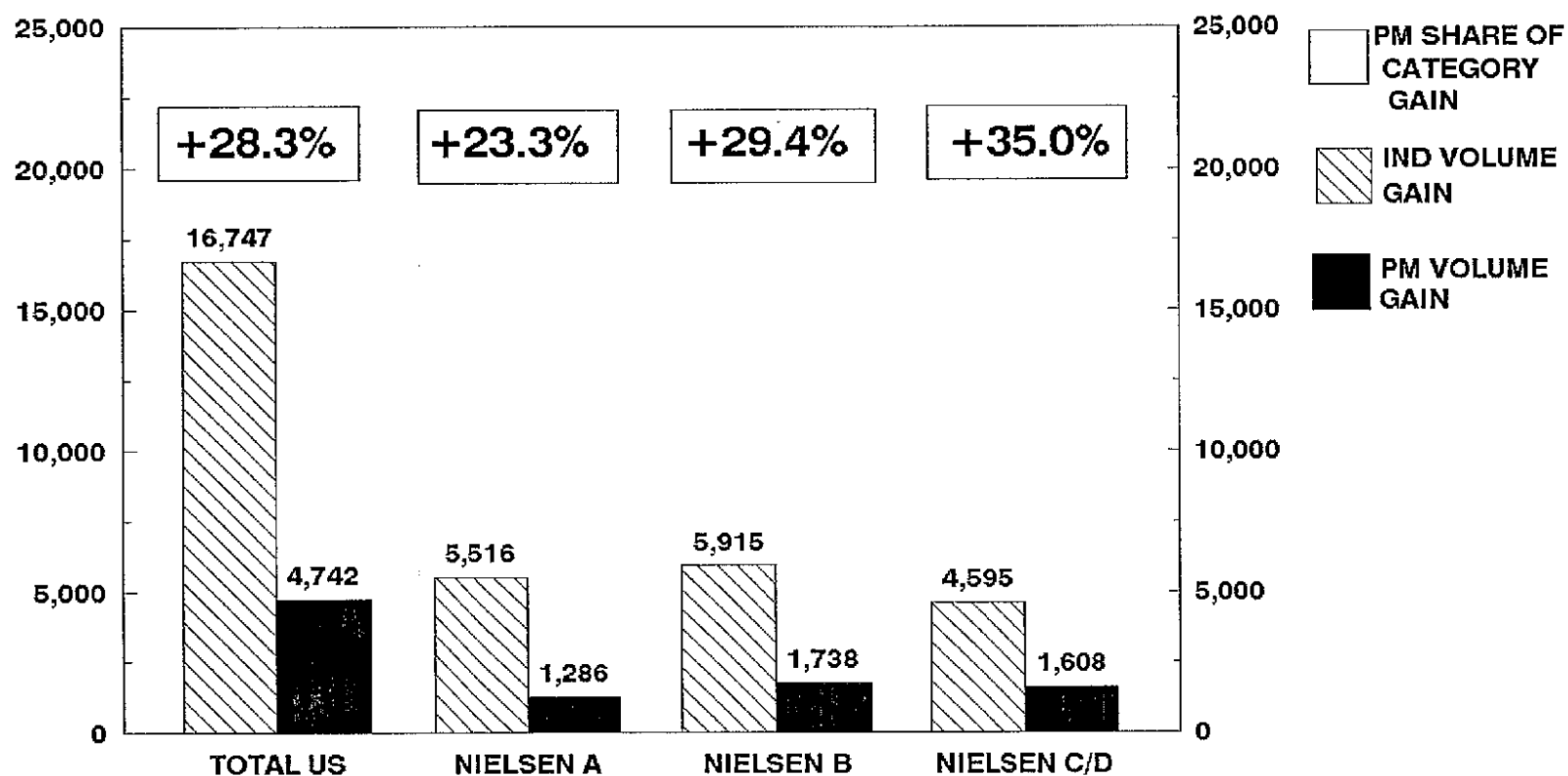


2045044430

CUMMULA2/JP2

PHILIP MORRIS SUB-GENERIC BY COUNTY TYPE
VOLUME & SHARE OF CATEGORY GAINS
 (BASE YEAR = SEPTEMBER 1990)

VOLUME GAIN (IN MILLIONS)



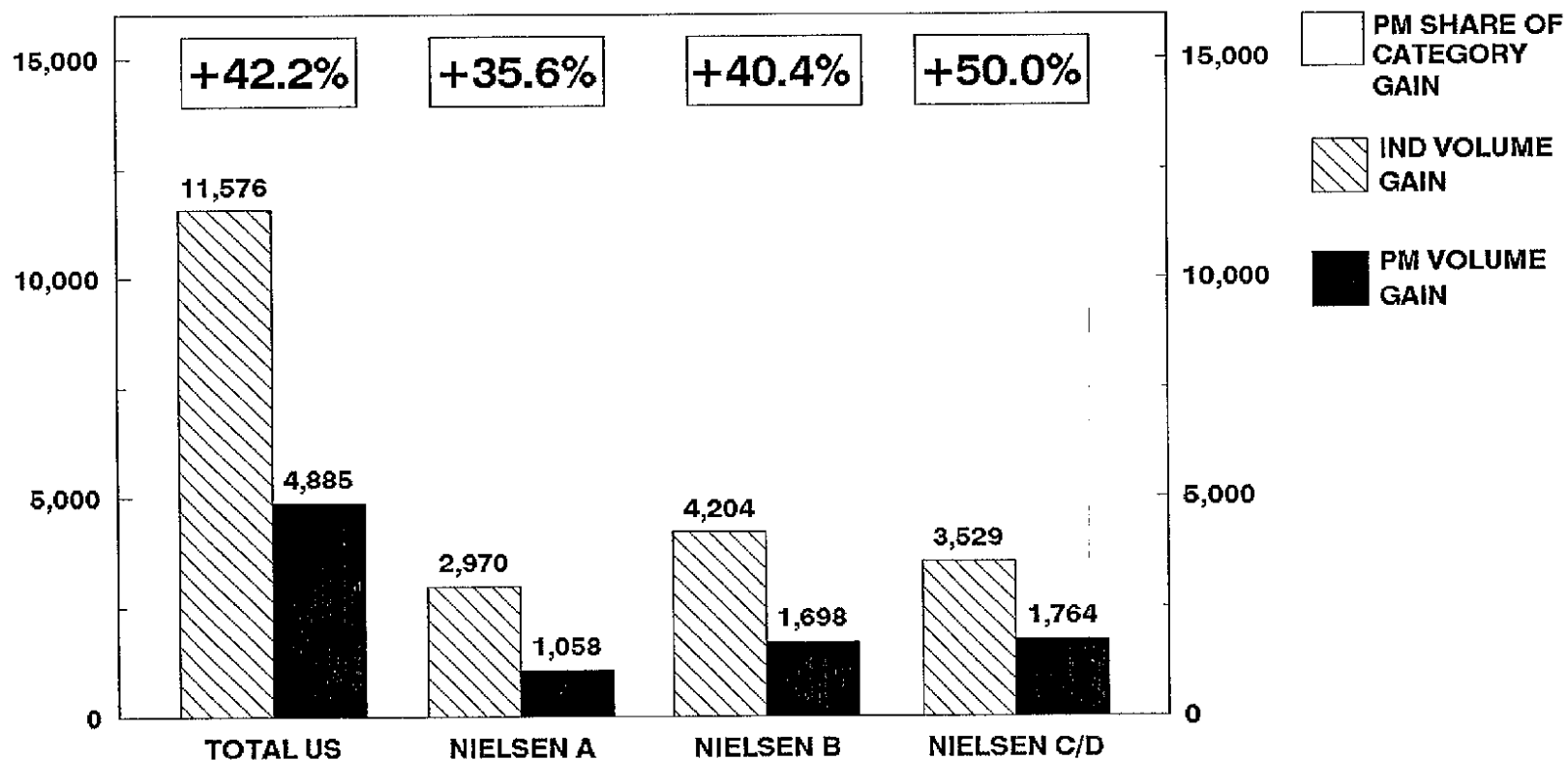
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

PMSUB.CHT

2045044431

PHILIP MORRIS B+W GENERIC P/L BY COUNTY TYPE
VOLUME & SHARE OF CATEGORY GAINS
 (BASE YEAR = SEPTEMBER 1990)

VOLUME GAIN (IN MILLIONS)



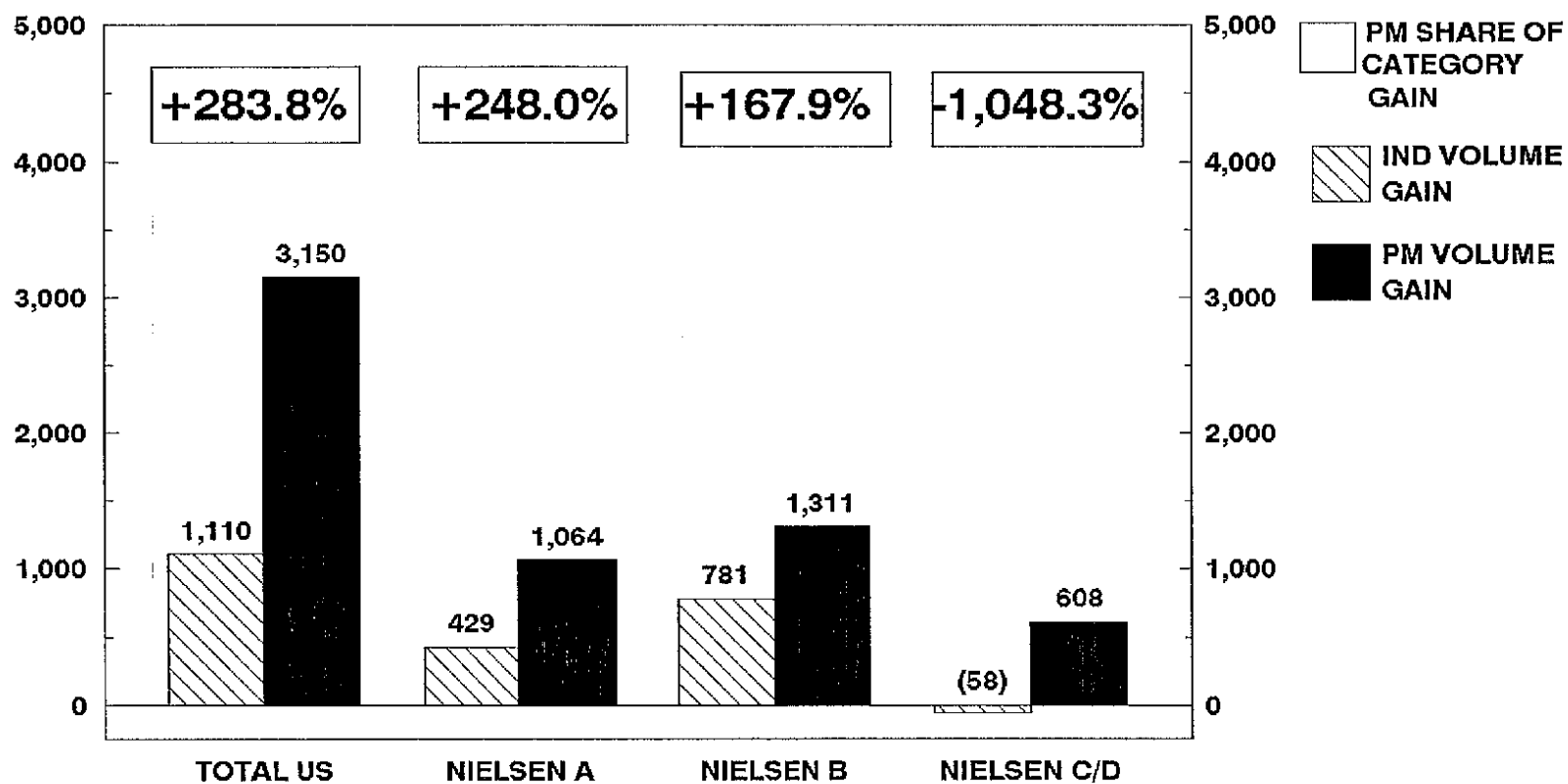
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

PMBWPL.CHT

2045044432

PHILIP MORRIS BRANDED GENERICS BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



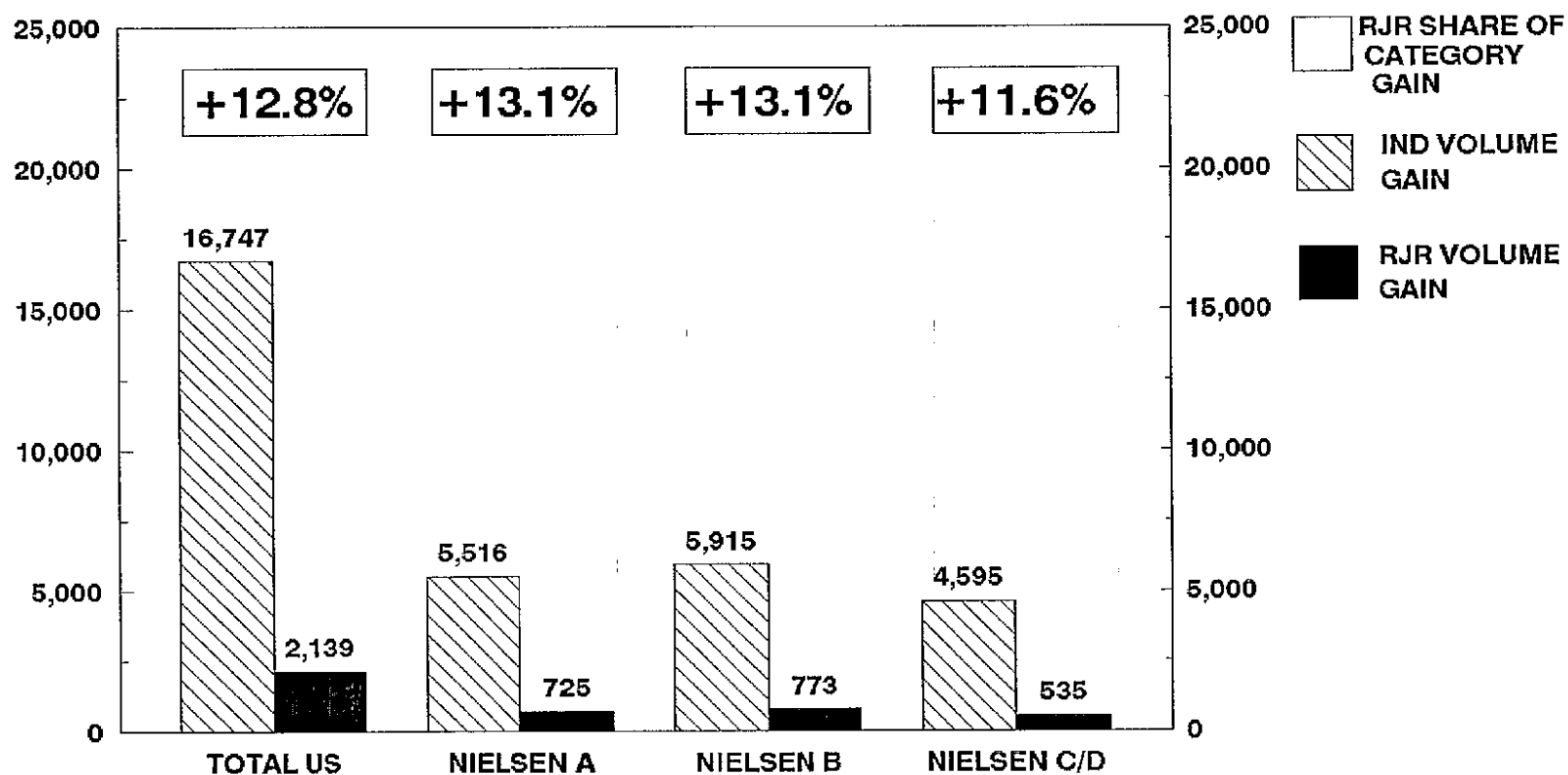
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

PMBRGEN.CHT

2045044433

R.J. REYNOLDS SUB-GENERIC BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



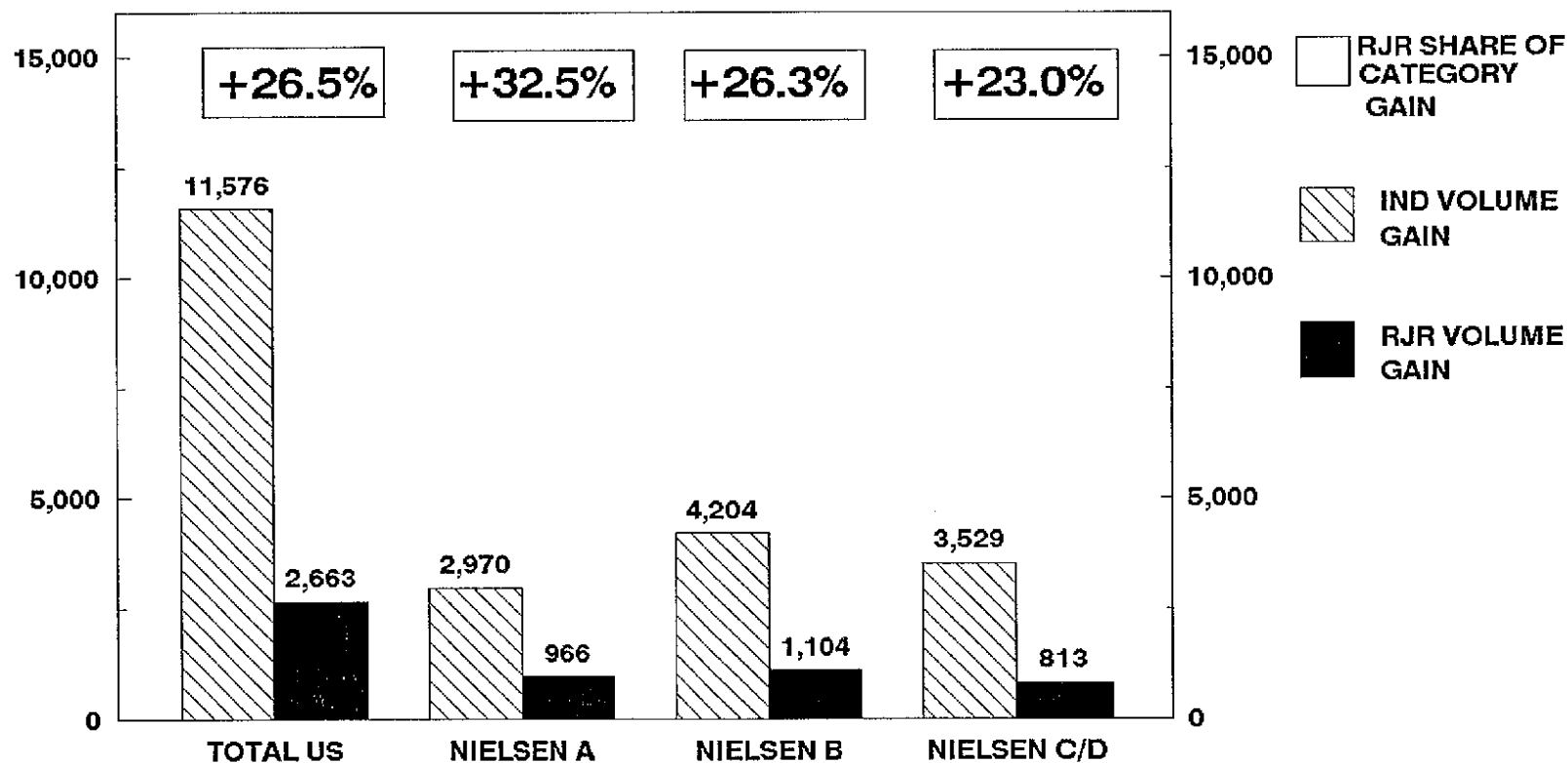
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

RJRSUB.CHT

2045044434

R.J. REYNOLDS B+W GENERIC P/L BY COUNTY TYPE
VOLUME & SHARE OF CATEGORY GAINS
 (BASE YEAR = SEPTEMBER 1990)

VOLUME GAIN (IN MILLIONS)



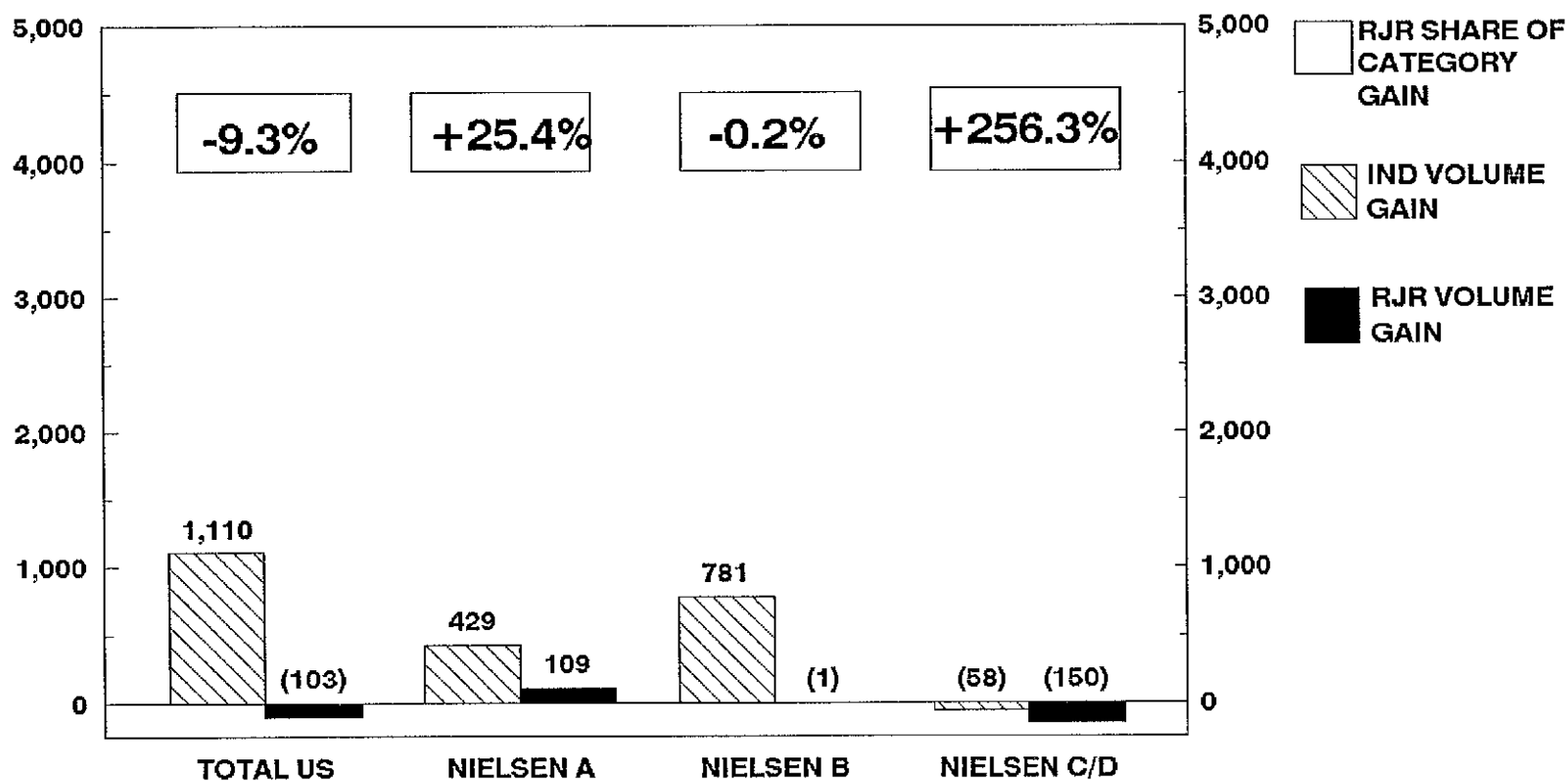
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

RJRBWPL.CHT

2045044435

R.J. REYNOLDS BRANDED GENERICS BY COUNTY TYPE
VOLUME & SHARE OF CATEGORY GAINS
 (BASE YEAR = SEPTEMBER 1990)

VOLUME GAIN (IN MILLIONS)



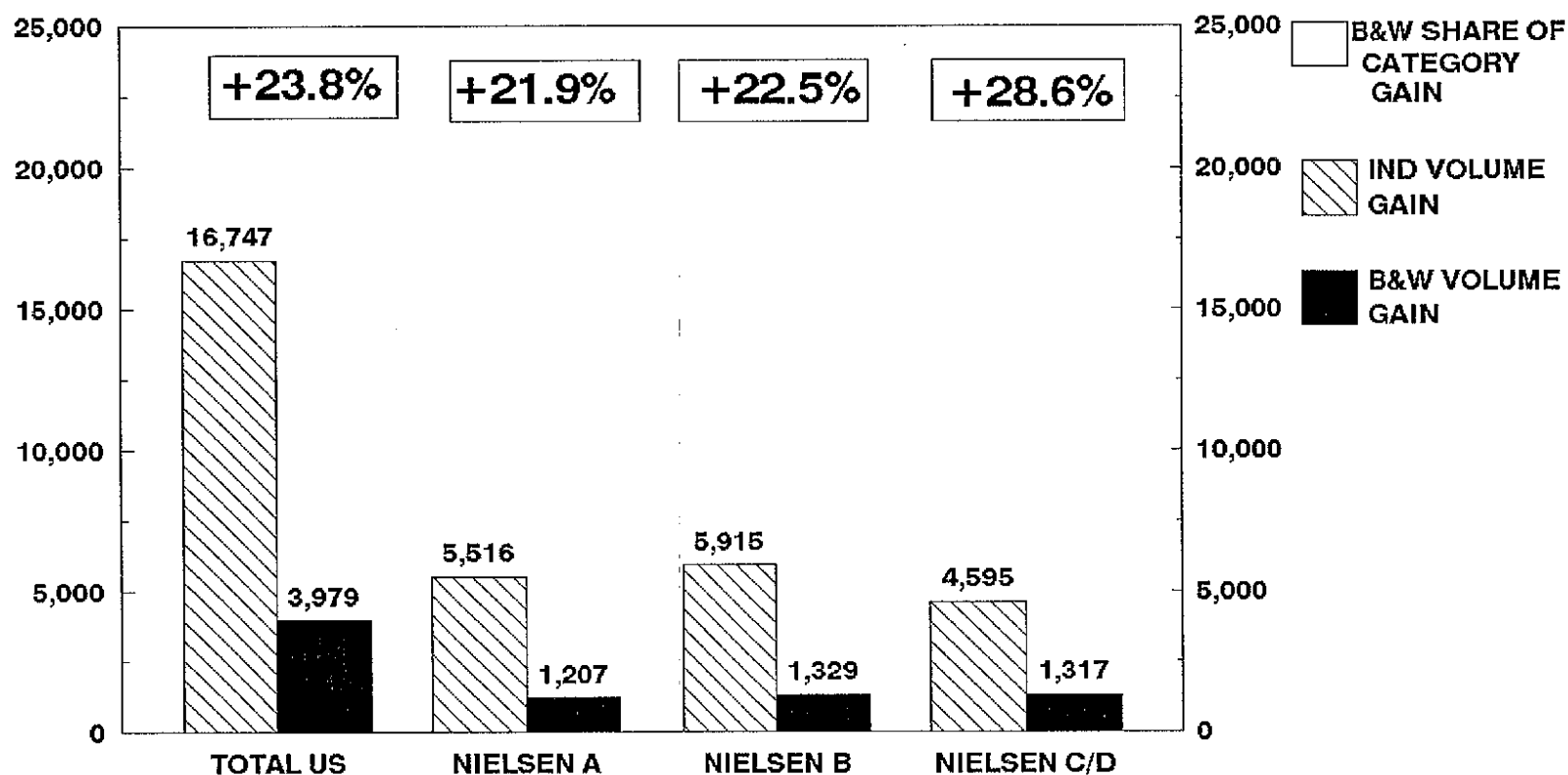
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

RJRBRGEN.CHT

2045044436

BROWN & WILLIAMSON SUB-GENERIC BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



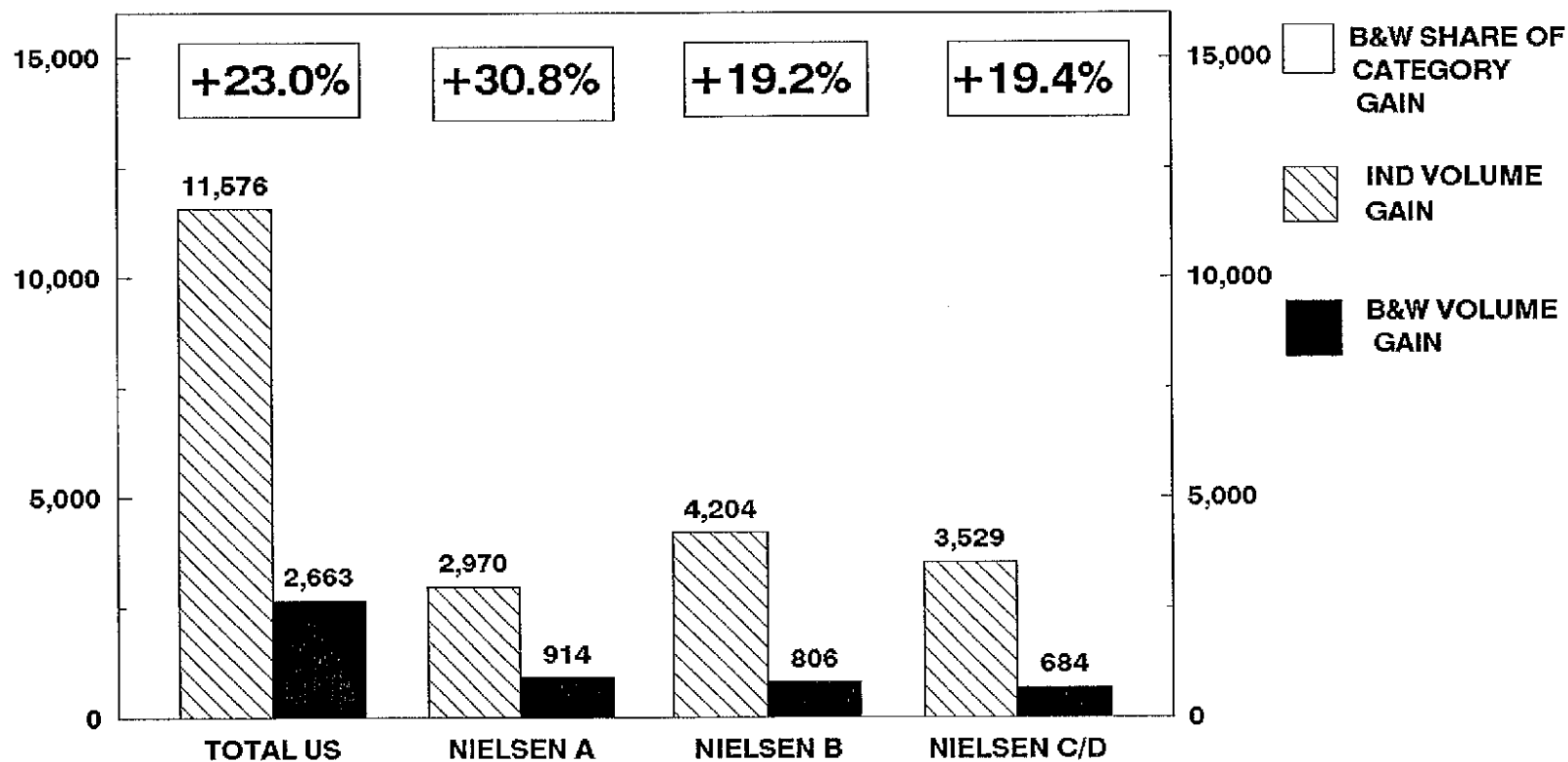
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

BWSUB.CHT

2045044437

BROWN & WILLIAMSON B+W GENERIC P/L BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



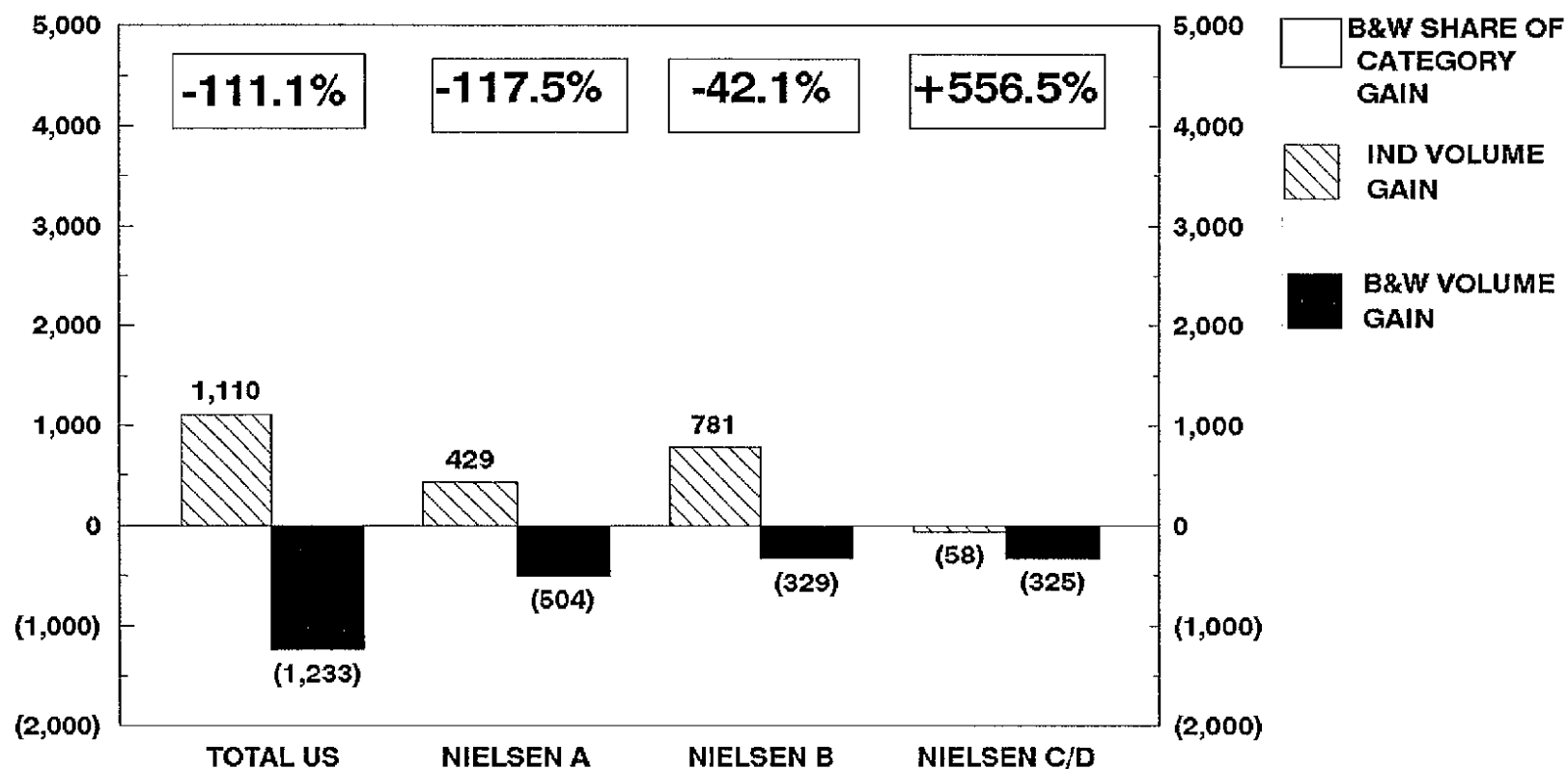
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

BWBWPL.CHT

2045044438

BROWN & WILLIAMSON BRANDED GENERICS BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



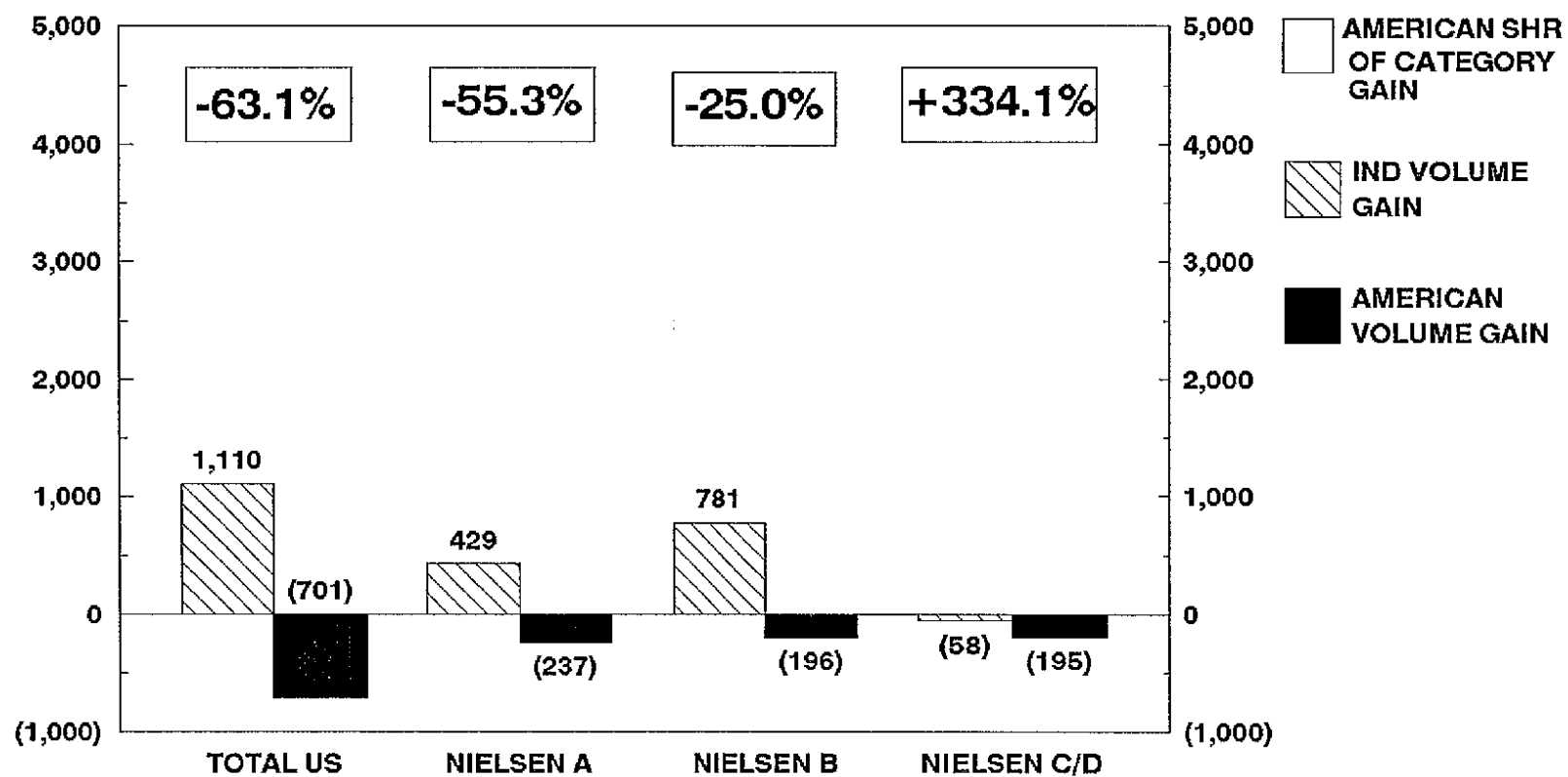
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

BWBRGEN.CHT

2045044439

AMERICAN BRANDED GENERICS BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



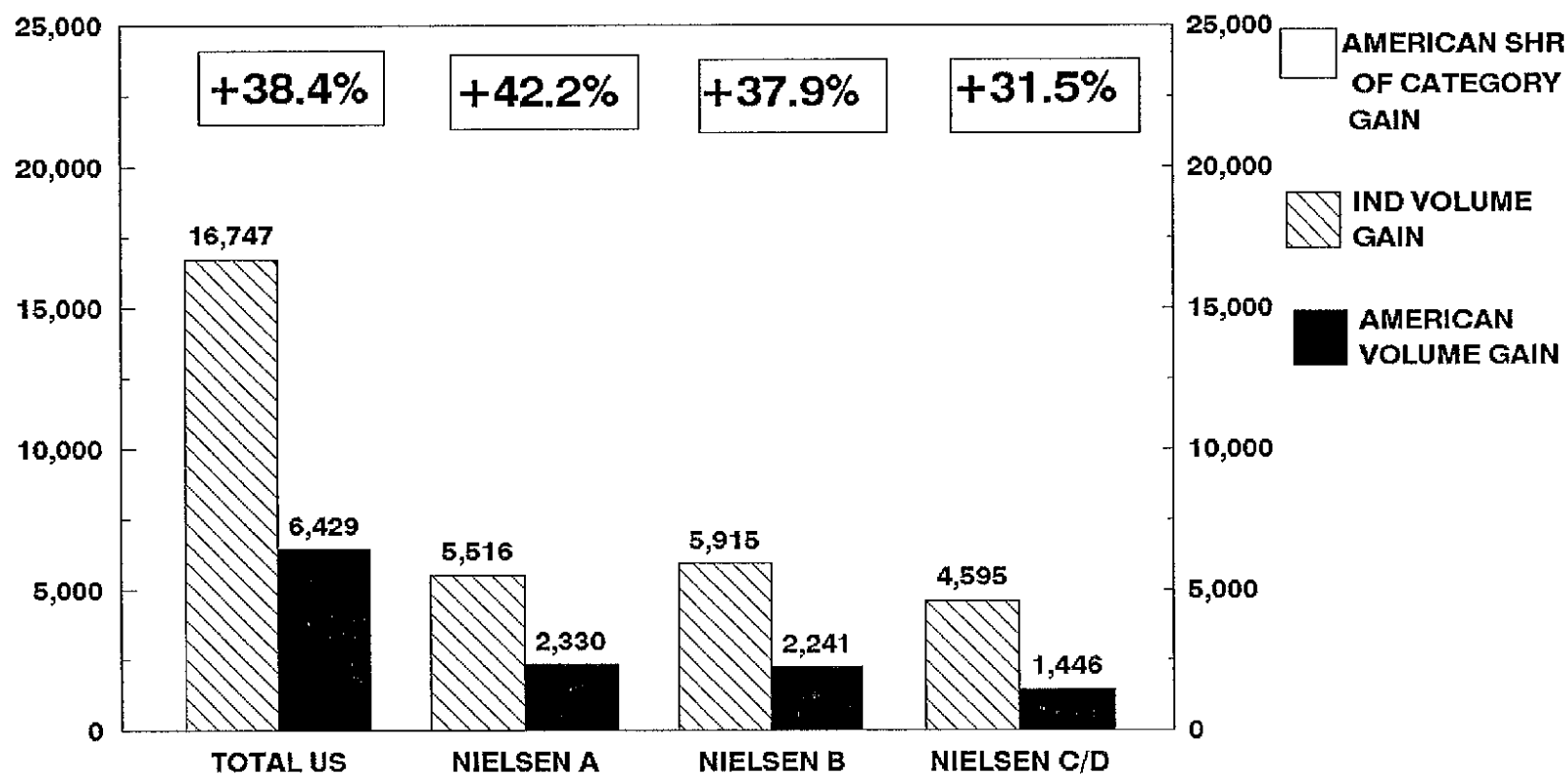
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

AMBRGEN.CHT

2045044440

AMERICAN SUB-GENERIC BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



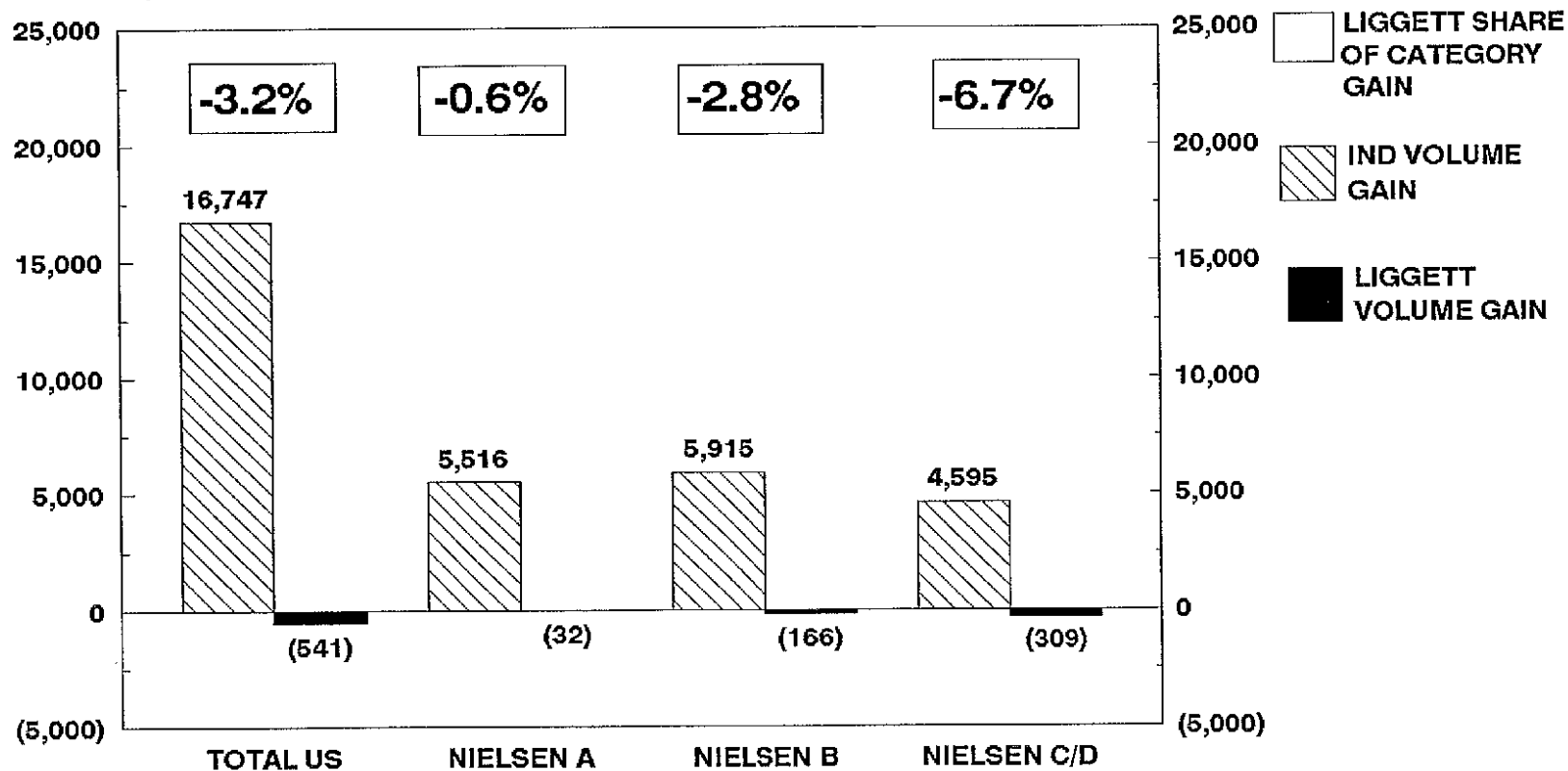
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

AMSUB.CHT

204504441

LIGGETT SUB-GENERIC BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



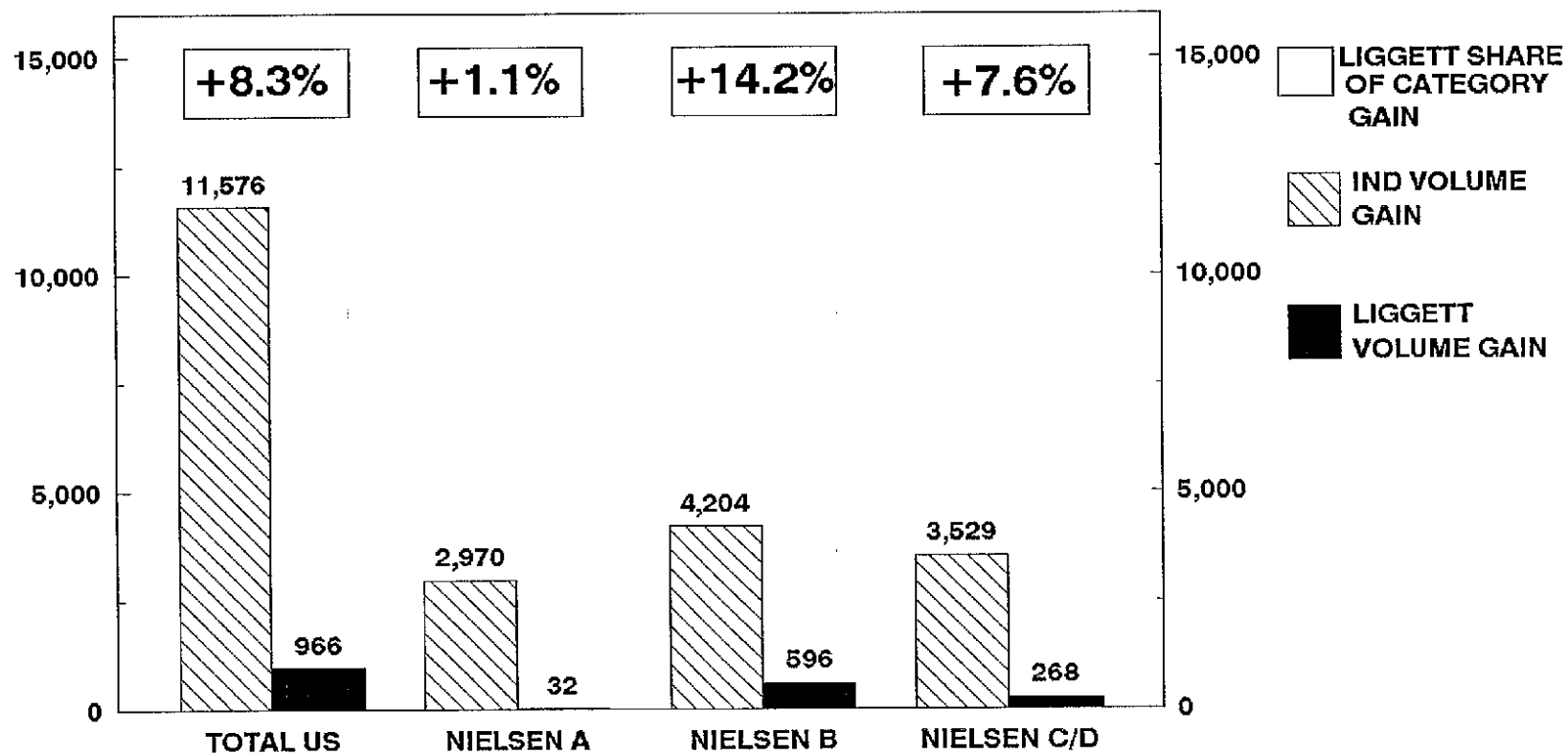
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

LIGSUB.CHT

2045044442

LIGGETT B+W GENERIC P/L BY COUNTY TYPE
VOLUME & SHARE OF CATEGORY GAINS
 (BASE YEAR = SEPTEMBER 1990)

VOLUME GAIN (IN MILLIONS)



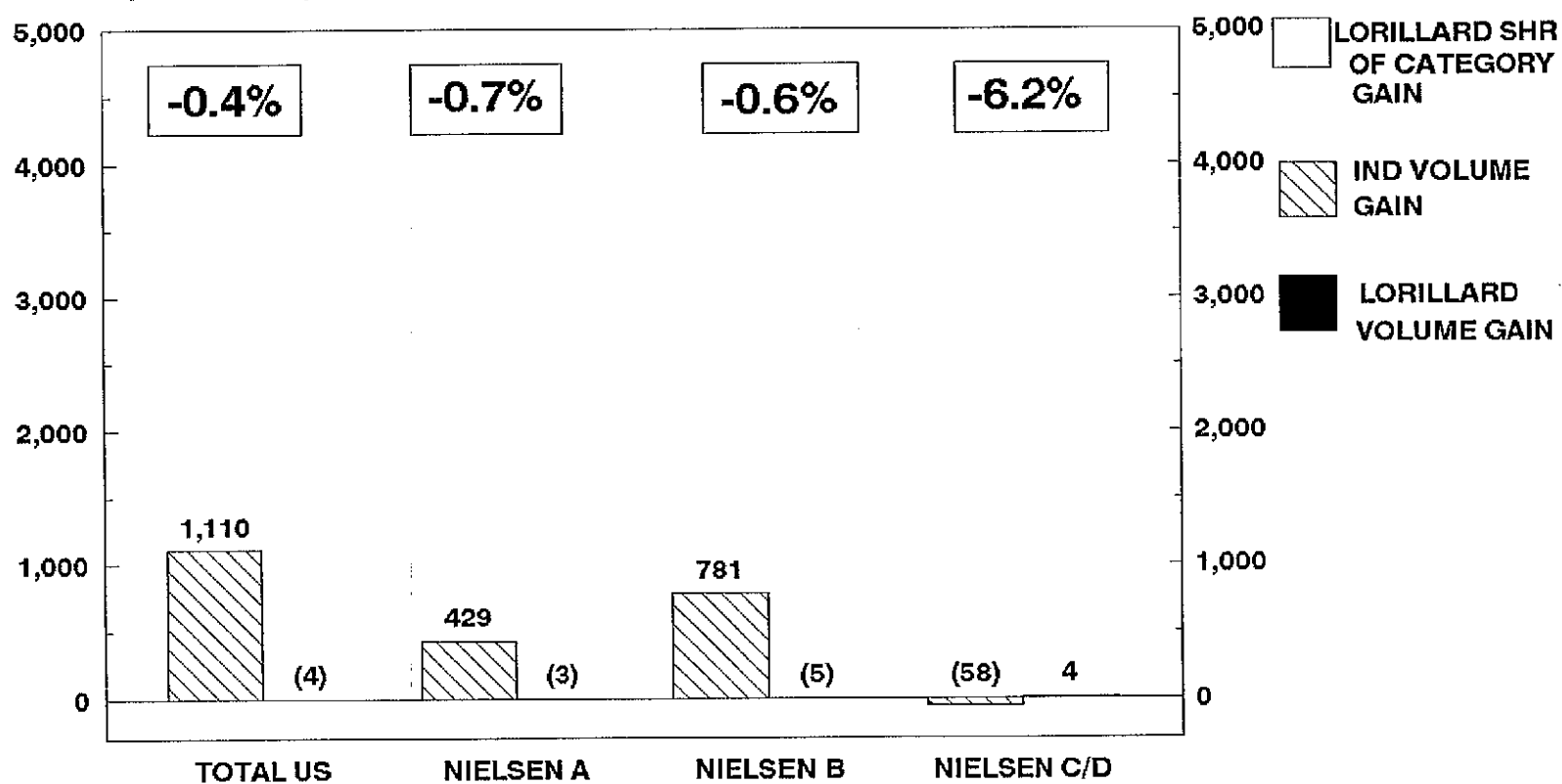
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

LIGBWPL.CHT

2045044443

LORILLARD BRANDED GENERICS BY COUNTY TYPE **VOLUME & SHARE OF CATEGORY GAINS** **(BASE YEAR = SEPTEMBER 1990)**

VOLUME GAIN (IN MILLIONS)



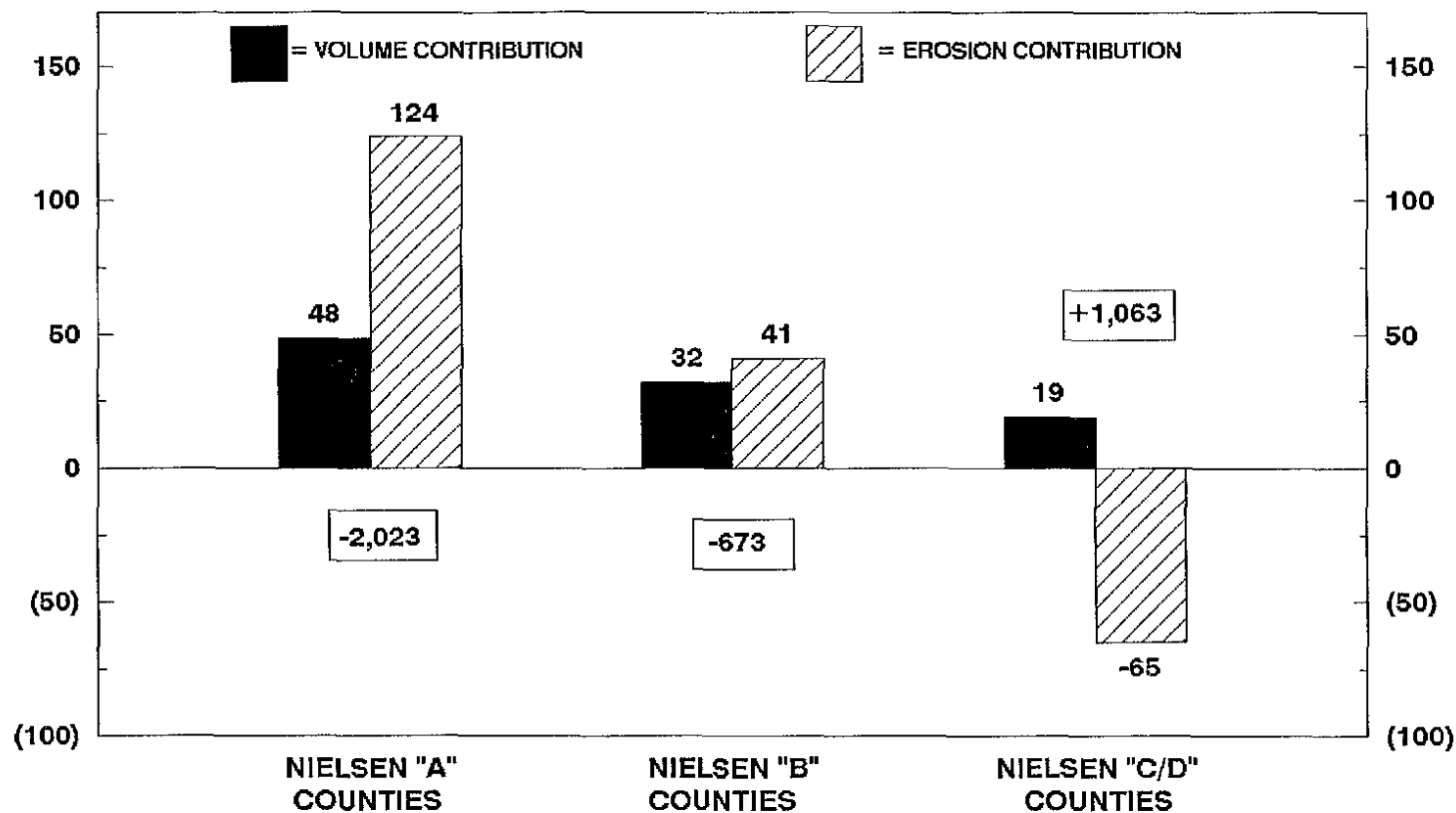
SOURCE: MSA SHIPMENTS YEAR ENDING SEPTEMBER 1991

LORBRGEN.CHT

2045044444

MARLBORO VOLUME vs. EROSION CONTRIBUTION %
12MM TOTAL U.S. BY COUNTY TYPE
(BASE YEAR = SEPTEMBER 1987)

% CONTRIBUTION



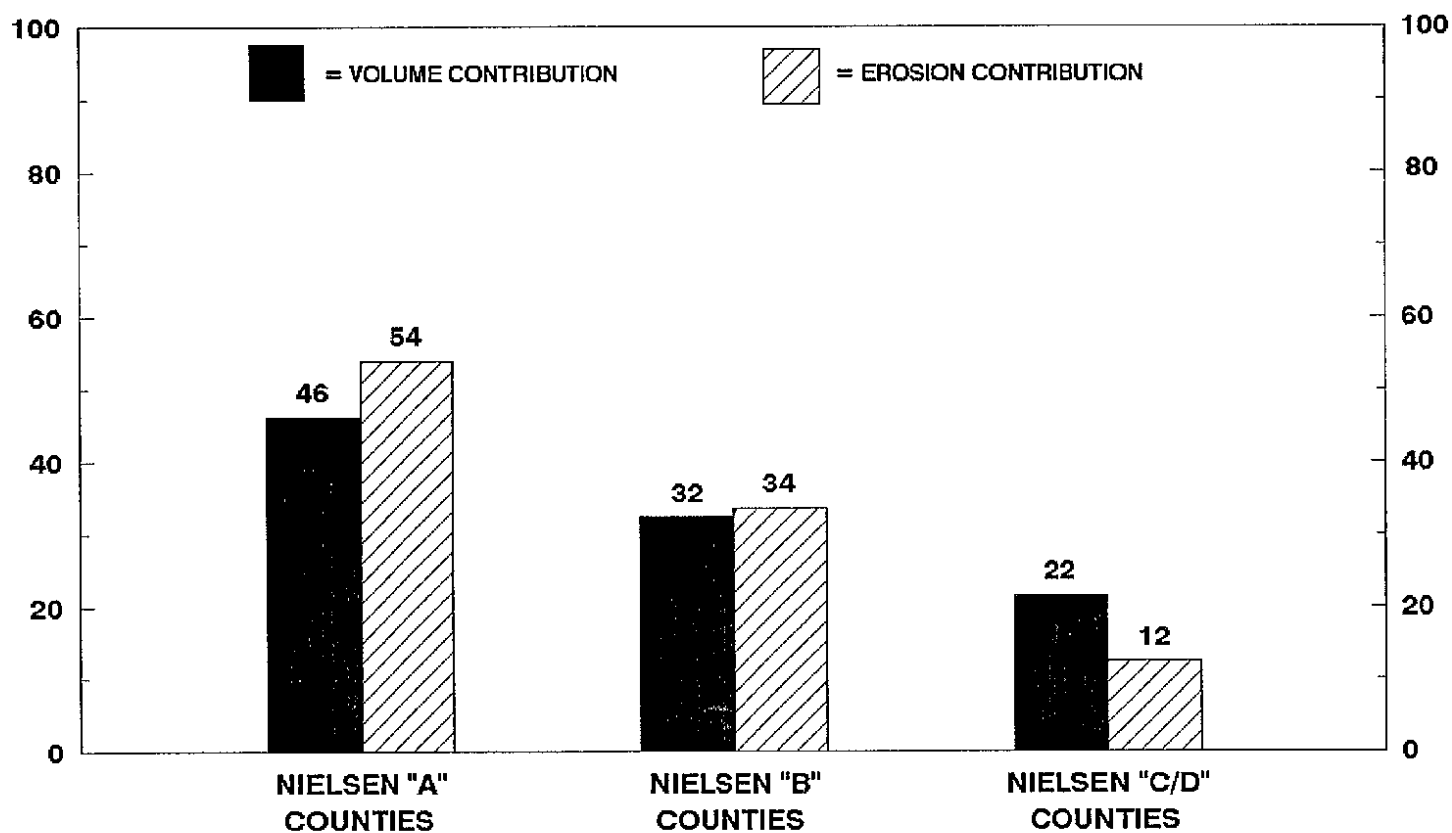
SOURCE = MSA SHIPMENTS

2MRLCHT

2045044445

VIRGINIA SLIMS VOLUME vs. EROSION CONTRIBUTION %
12MM TOTAL U.S. BY COUNTY TYPE
(BASE YEAR = SEPTEMBER 1987)

% CONTRIBUTION



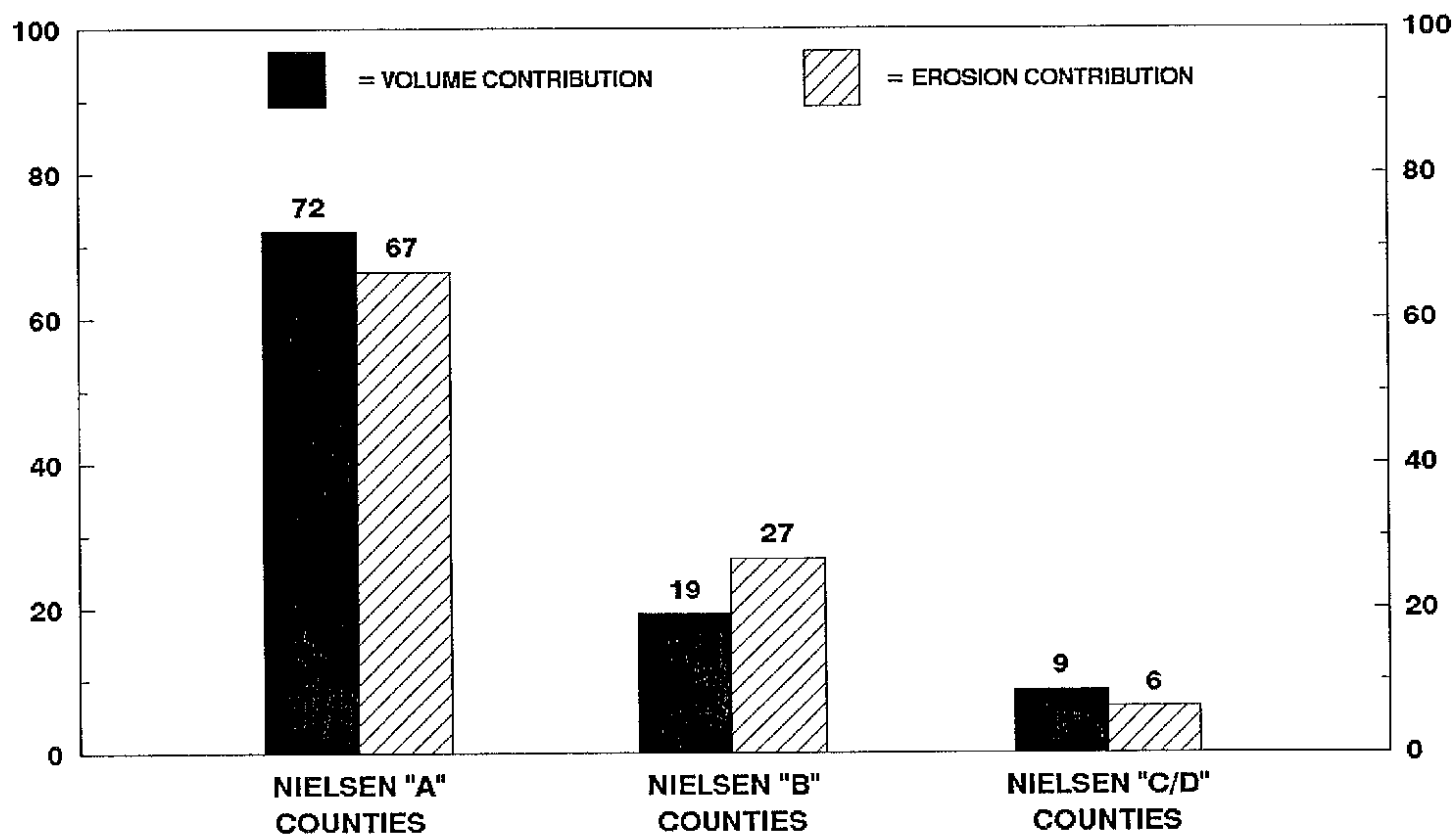
SOURCE = MSA SHIPMENTS

2VSLCHT

2045044446

PARLIAMENT VOLUME vs. EROSION CONTRIBUTION %
12MM TOTAL U.S. BY COUNTY TYPE
(BASE YEAR = SEPTEMBER 1987)

% CONTRIBUTION



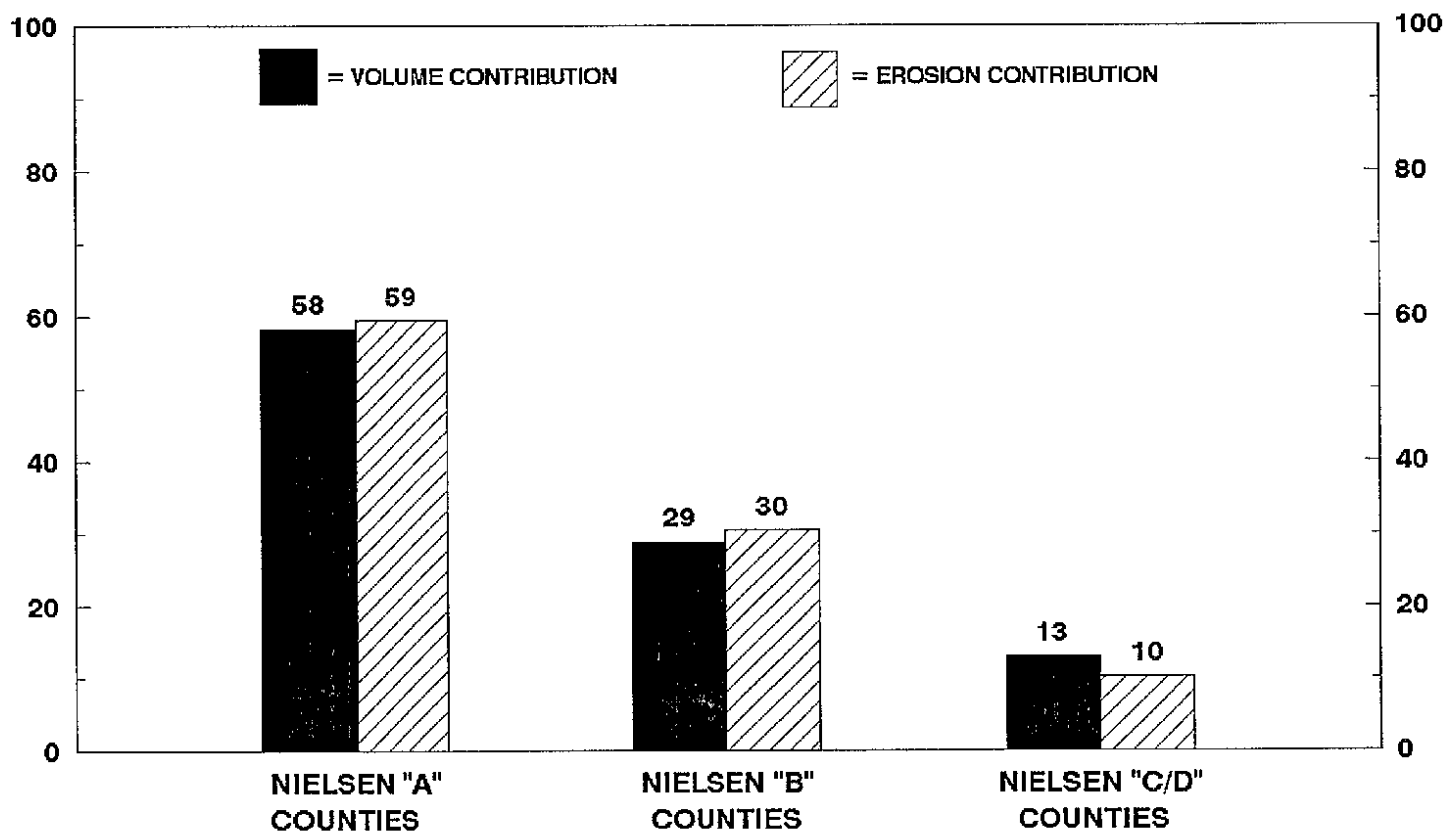
SOURCE = MSA SHIPMENTS

3PRL.CHT

204504447

B&H VOLUME vs. EROSION CONTRIBUTION
12MM TOTAL U.S. BY COUNTY TYPE
(BASE YEAR = SEPTEMBER 1987)

% CONTRIBUTION



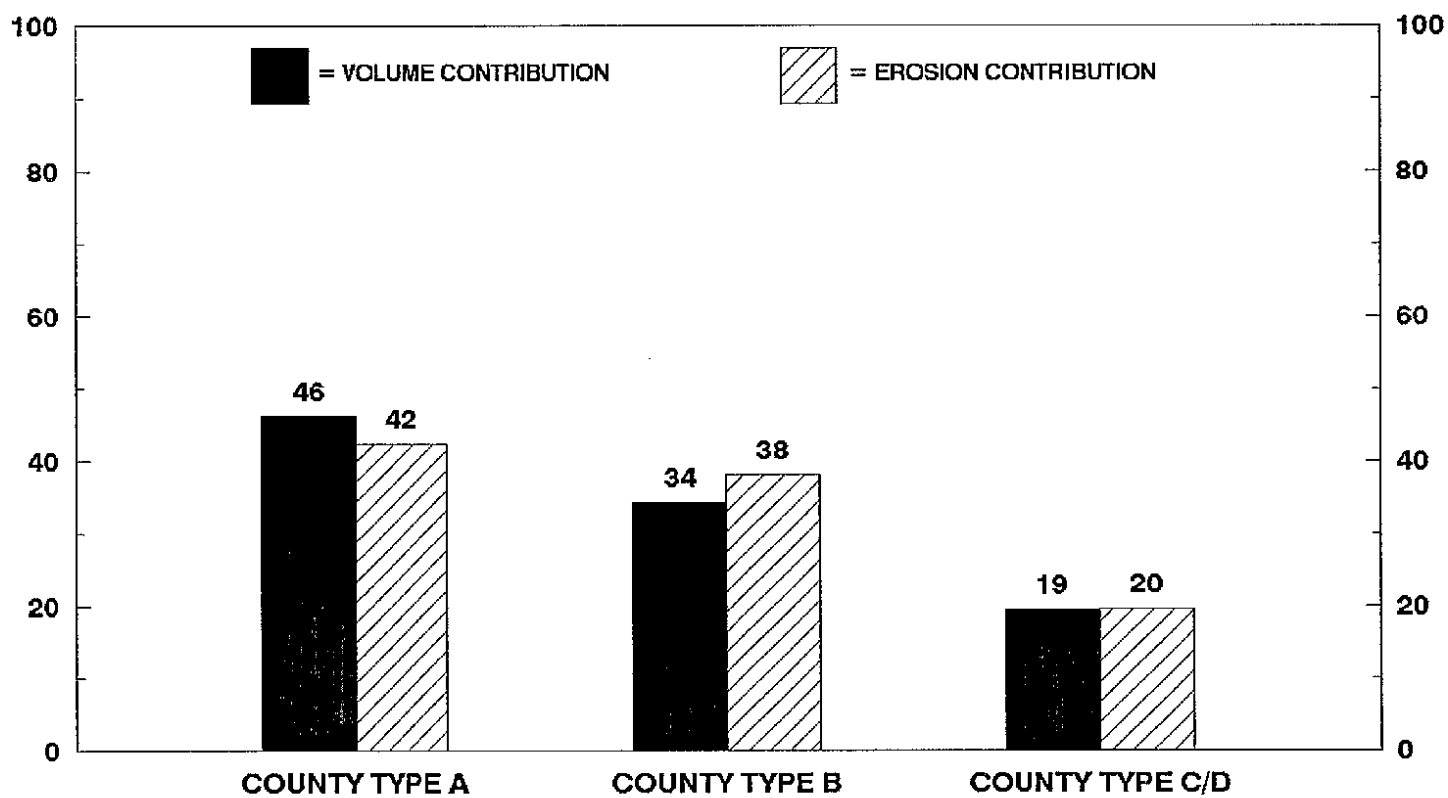
SOURCE = MSA SHIPMENTS

2BH.CHT

2045044448

MERIT VOLUME vs. EROSION CONTRIBUTION %
12MM TOTAL U.S. BY COUNTY TYPE
(BASE YEAR = SEPTEMBER 1987)

% CONTRIBUTION



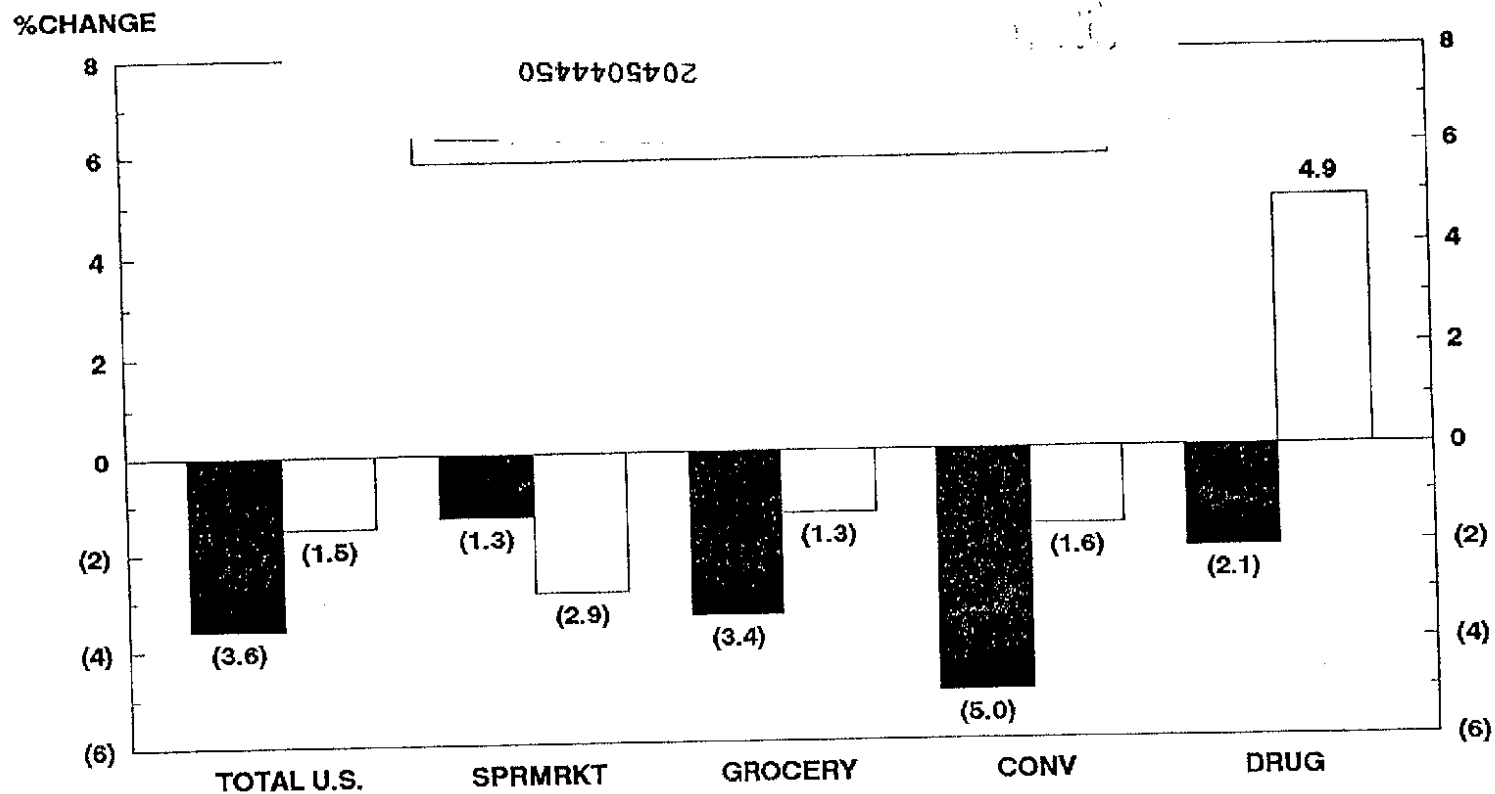
SOURCE = MSA SHIPMENTS

2MRT.CHT

2045044449

Review AS Contabation in vision
 • Box selected - % of vision on top
 on

• Focus on A vision in vision

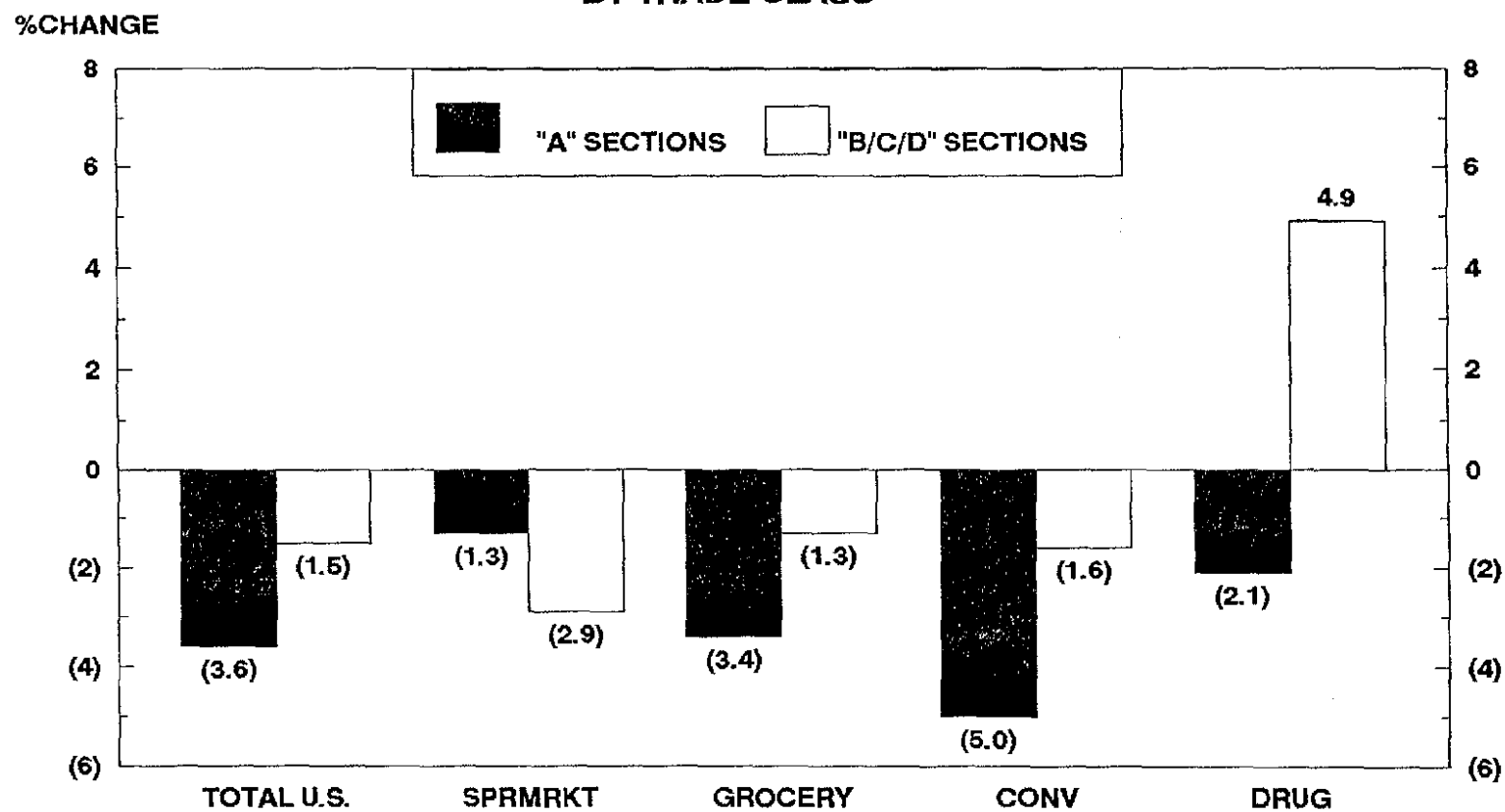


Source: New Nielsen 12mm September 1991

8NNBAR.CHT

2045044451

**TOTAL MARLBORO VOLUME %CHANGE vs. YAG
BY TRADE CLASS**



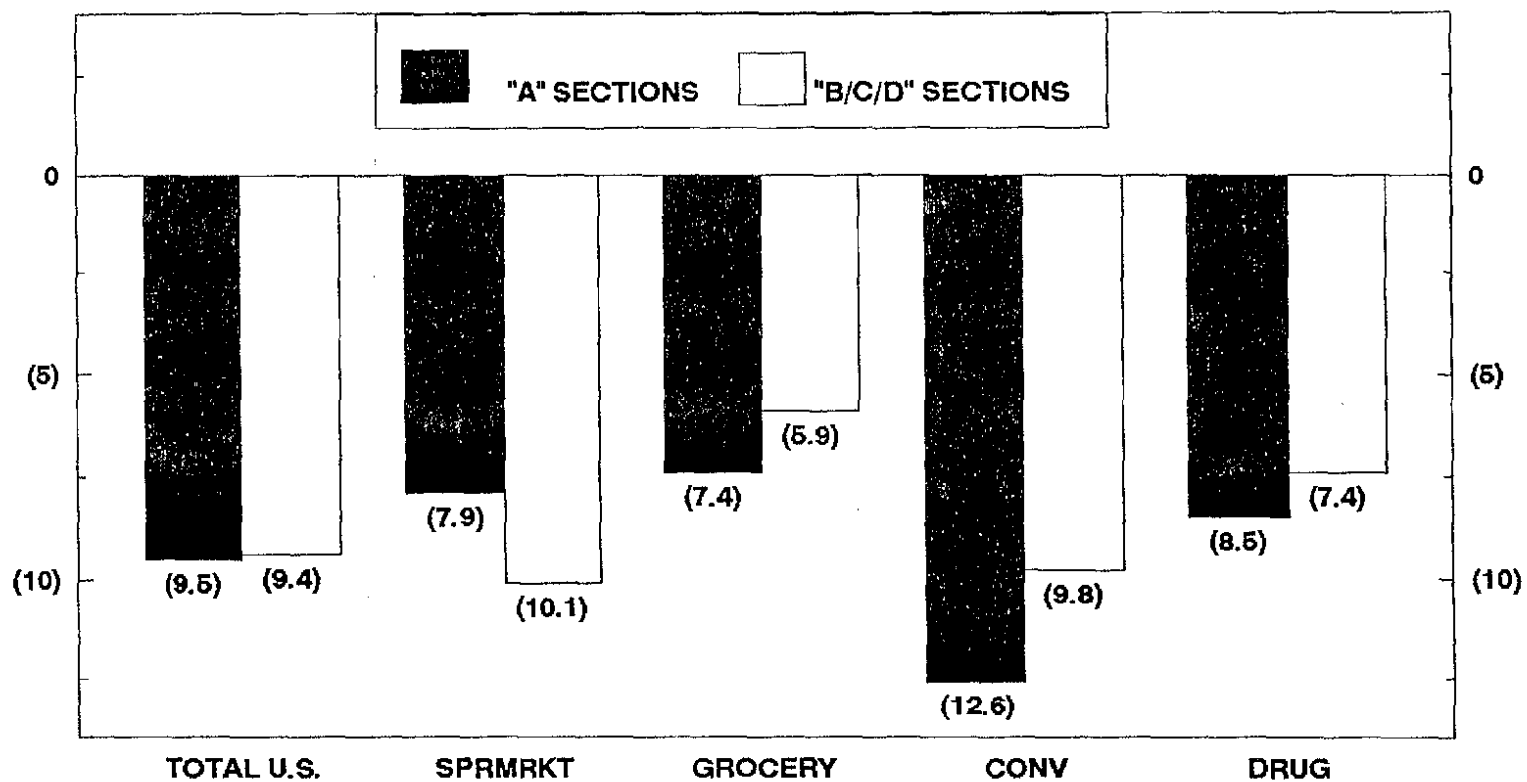
Source: New Nielsen 12mm September 1991

8NNBAR.CHT

2045044451

**TOTAL MERIT VOLUME %CHANGE vs. YAG
BY TRADE CLASS**

%CHANGE

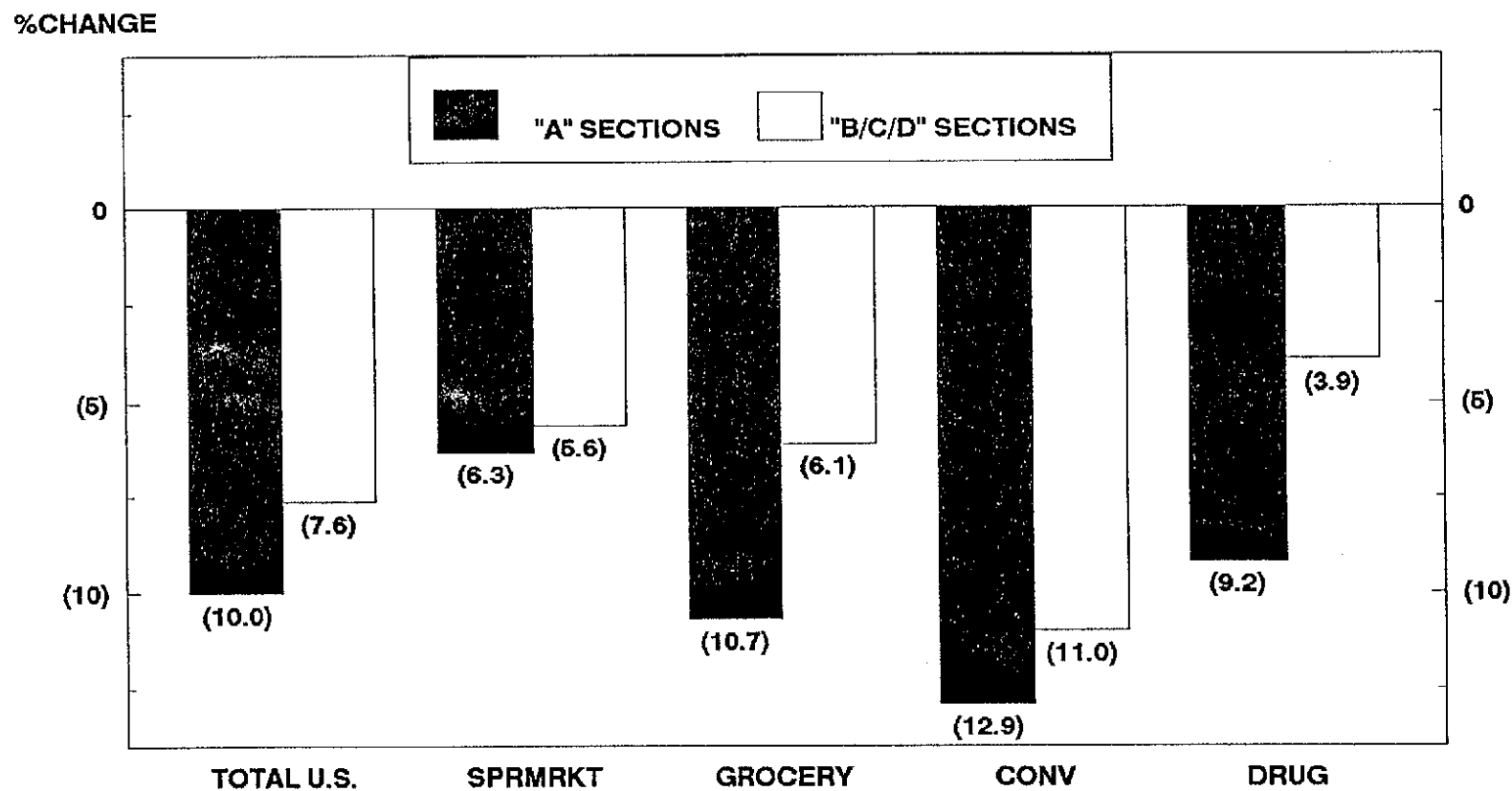


Source: New Nielsen 12mm September 1991

9NNBAR.CHT

2045044452

**TOTAL VIRGINIA SLIMS VOLUME %CHANGE vs. YAG
BY TRADE CLASS**



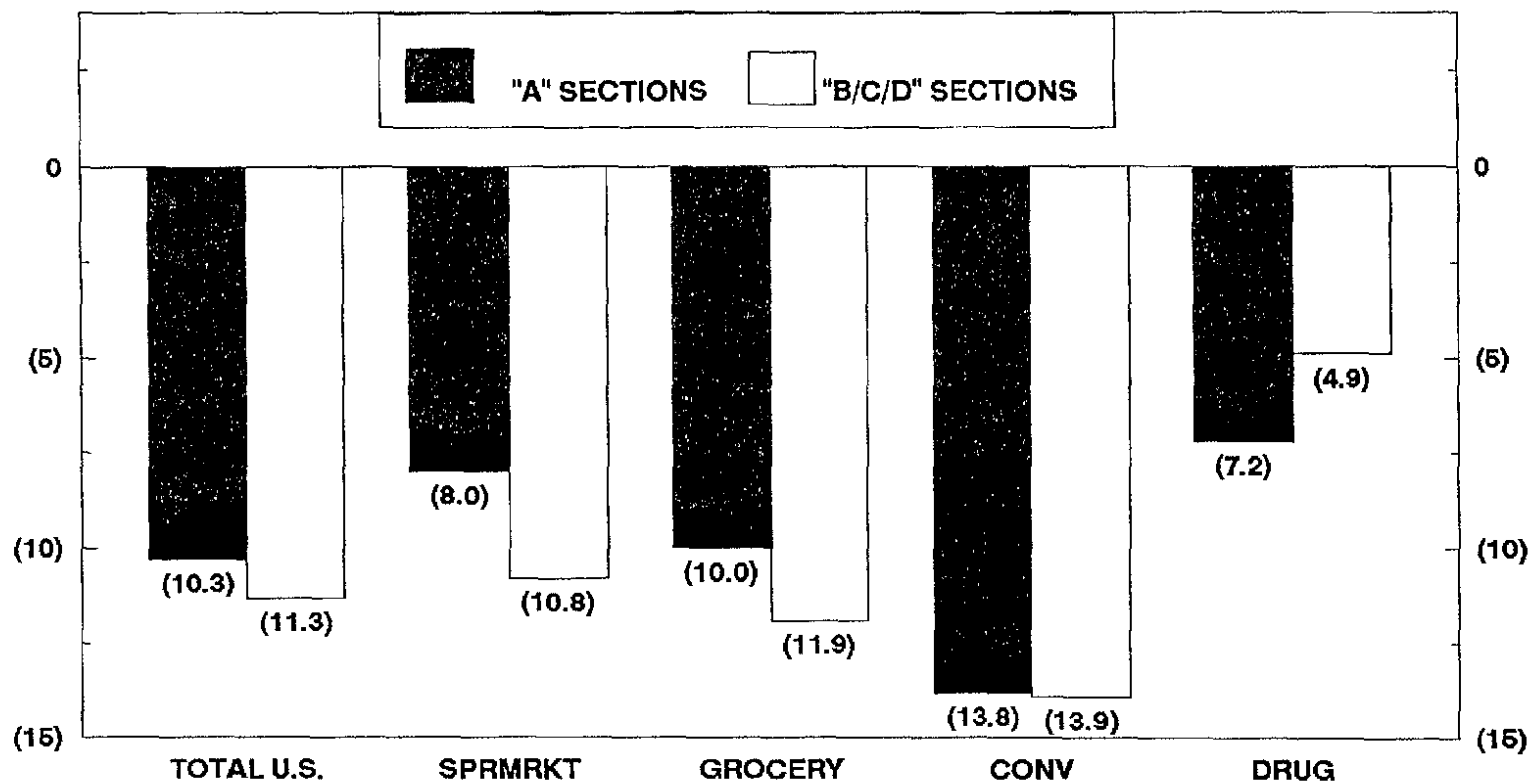
Source: New Nielsen 12mm September 1991

10NNBAR.CHT

2045044453

**TOTAL BENSON & HEDGES VOLUME %CHANGE vs. YAG
BY TRADE CLASS**

%CHANGE

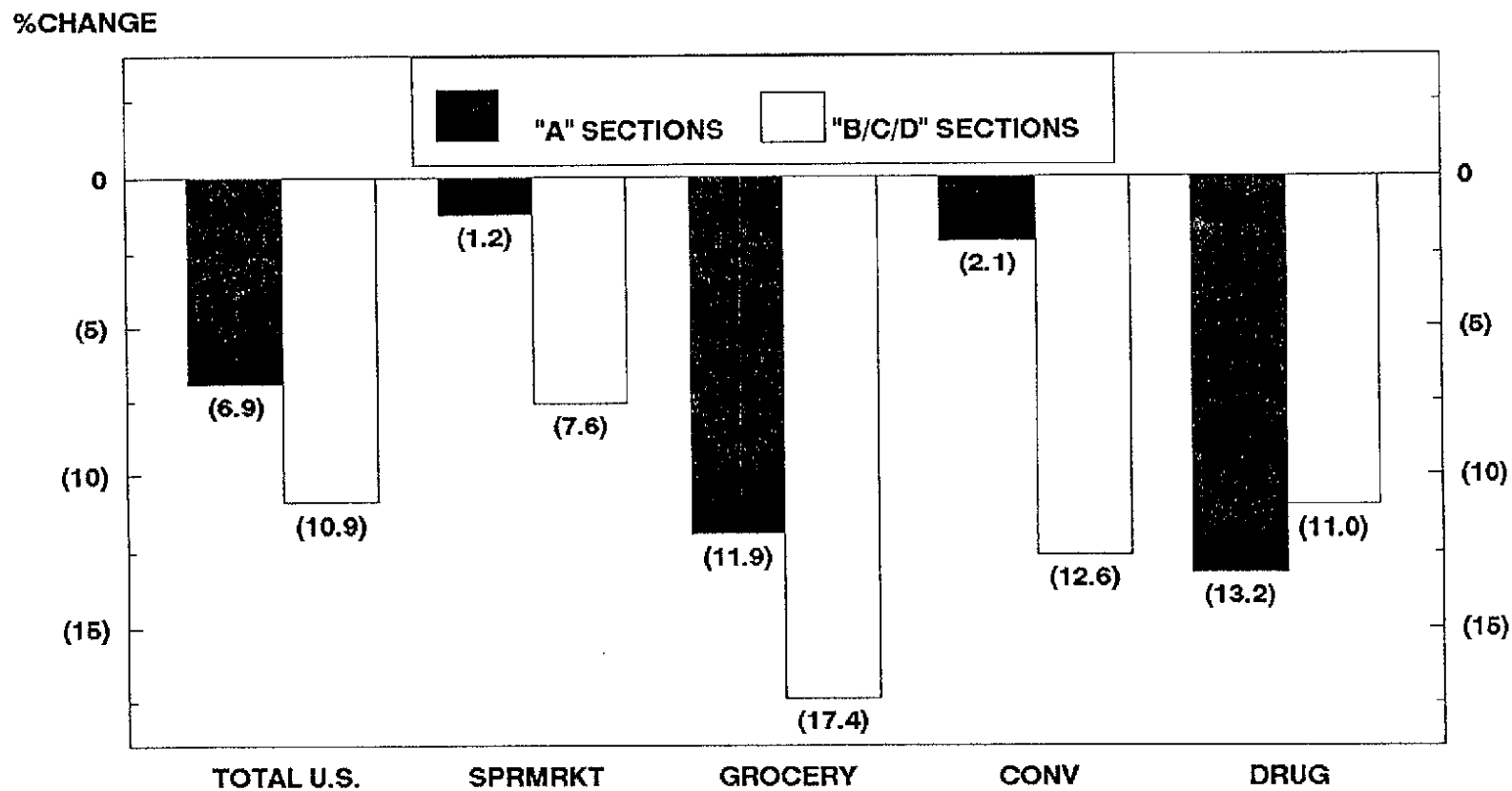


Source: New Nielsen 12mm September 1991

11NNBAR.CHT

2045044454

**TOTAL PARLIAMENT VOLUME %CHANGE vs. YAG
BY TRADE CLASS**



Source: New Nielsen 12mm September 1991

12NNBAR.CHT

2045044455

2045044456

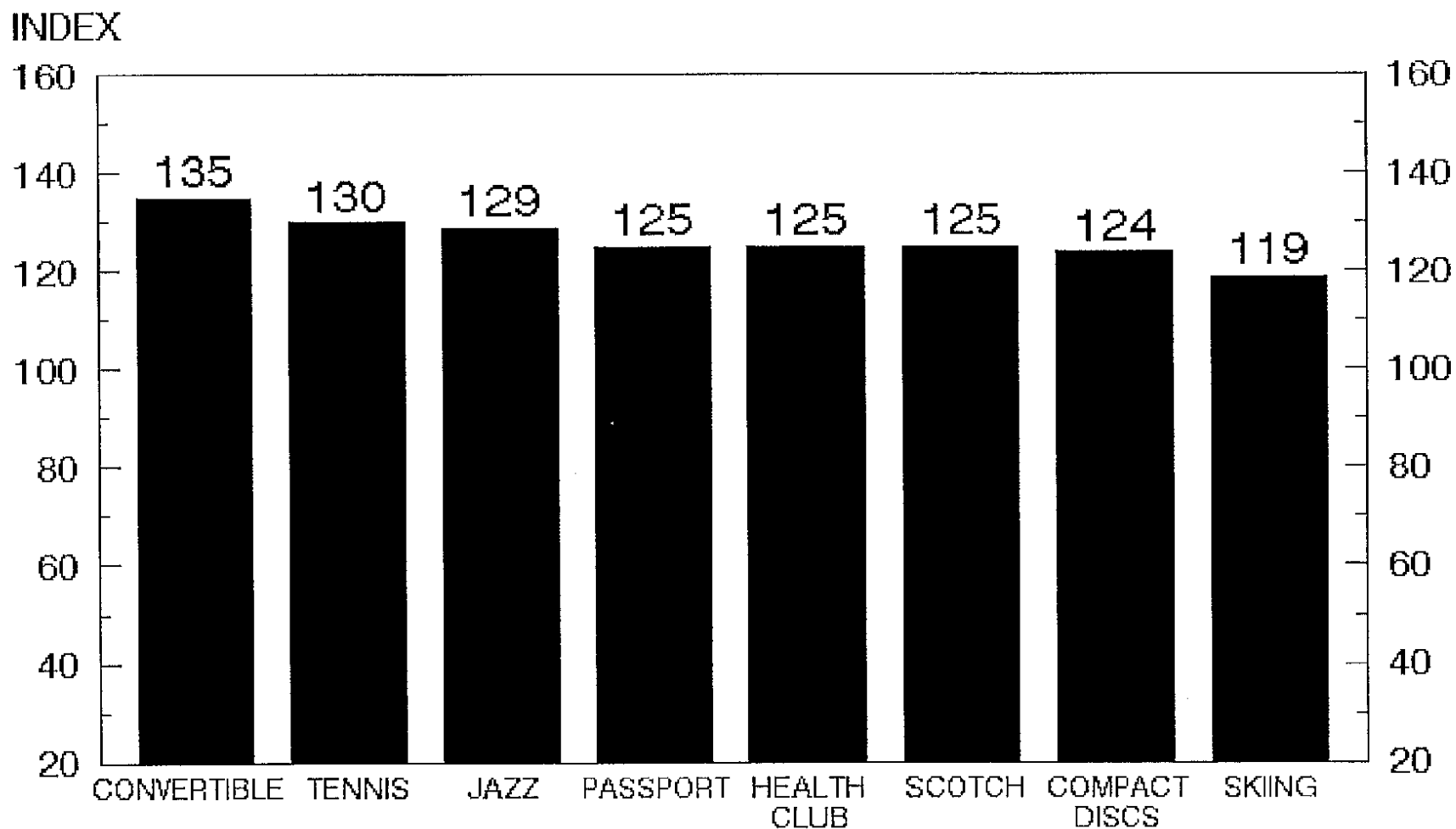
Potential Applications
Nielsen County Segmentation

2045044457

Relevancy & Customization

- ~~What's new~~ Popular Lifestyle Components Cut Across
Nilsen County Types.
- Attend Movies & Concerts
- Outdoor Gardening
- Do IT Yourself Home Improvements
- Play Lottery Weekly

NIELSEN A COUNTY LIFESTYLE COMPONENTS HAVE STRONGER IMAGE-ORIENTED SKEWS

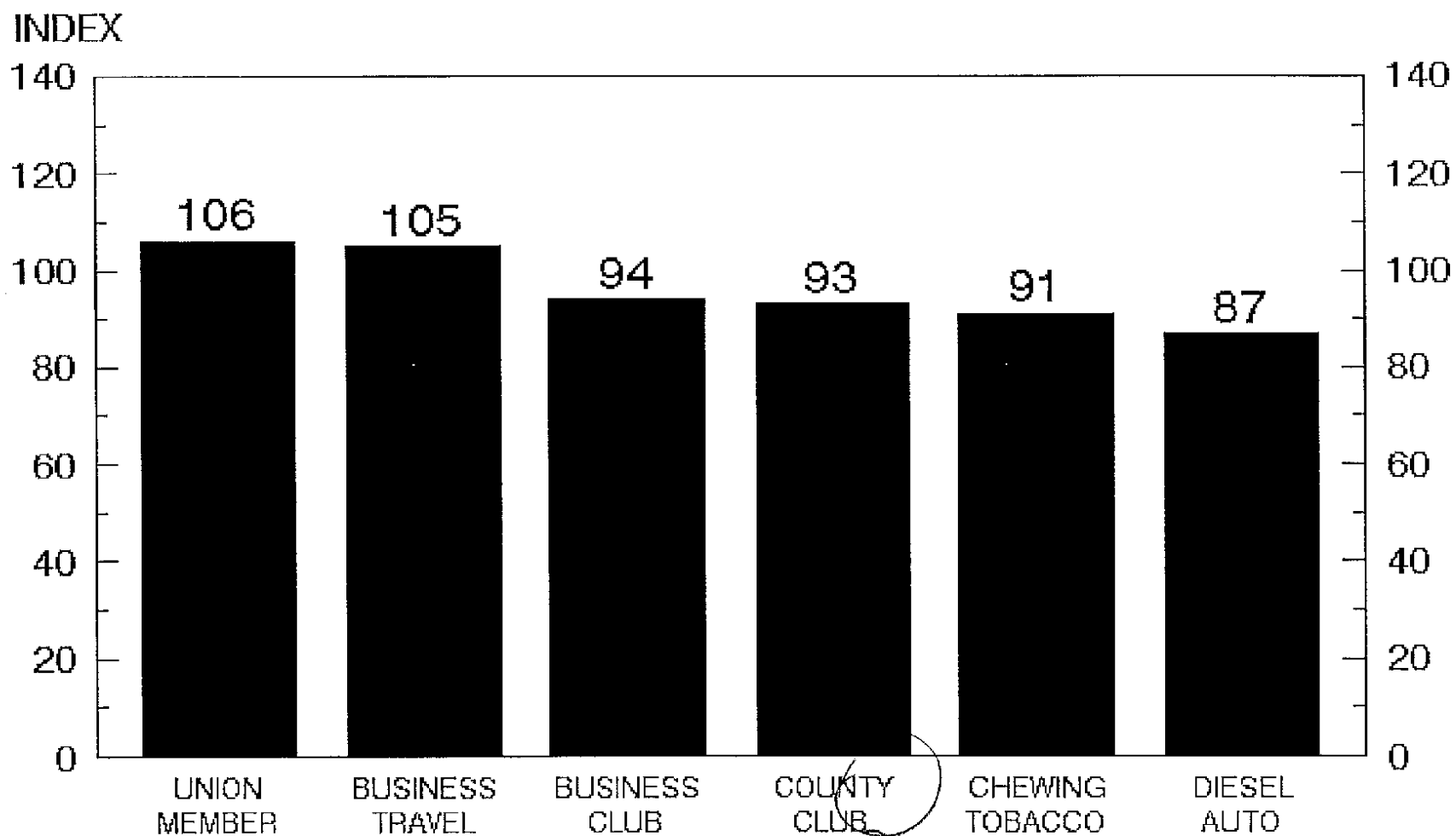


SOURCE: CLARITAS CORP.

NIELSENA/JP23

2045044459

LIFESTYLE COMPONENTS IN NIELSEN B COUNTIES INDEX MUCH CLOSER TO THE NATIONAL AVERAGE



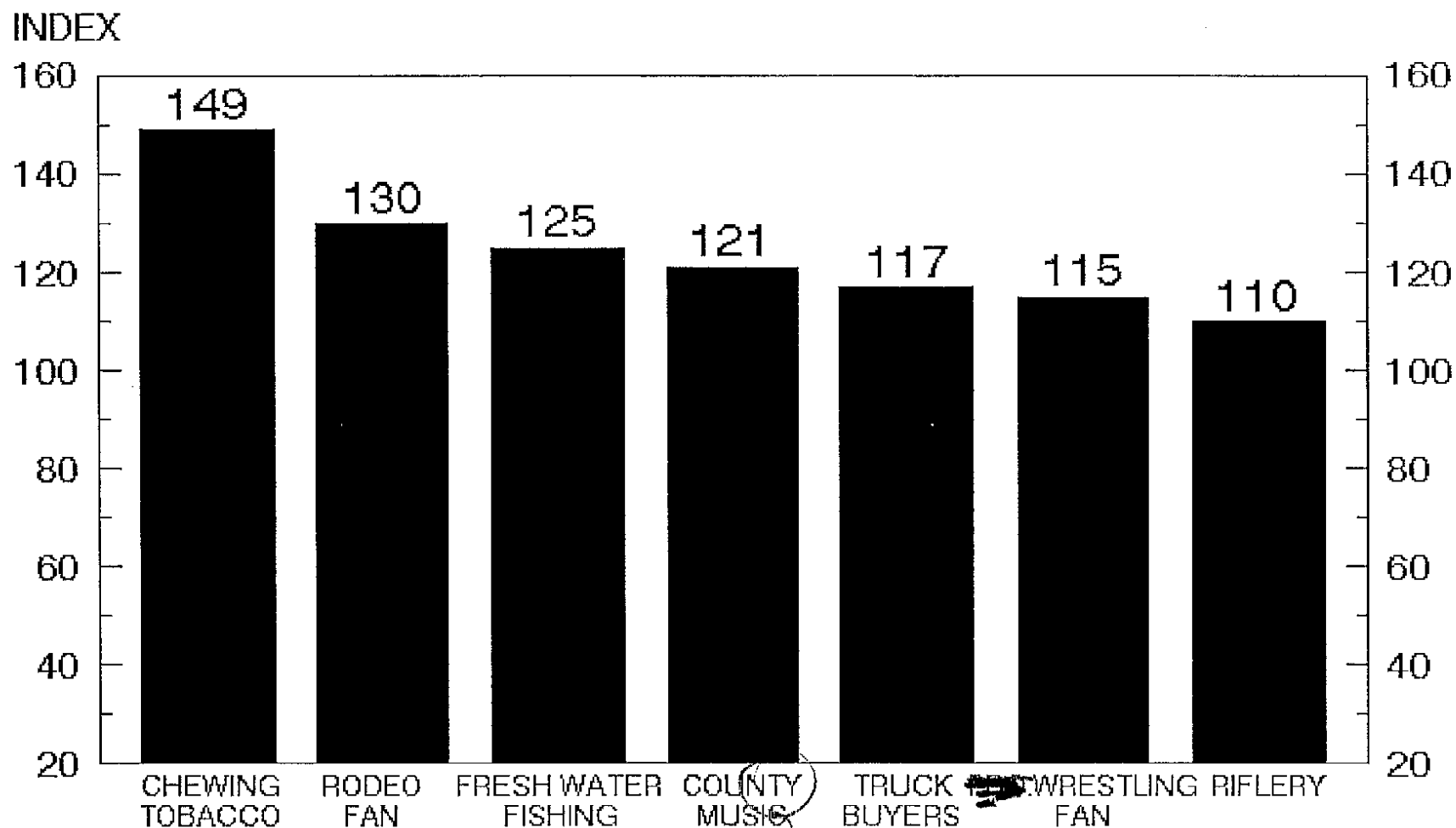
SOURCE: CLARITAS CORP.

LIFESTYLE/JP23

2045044460

Country

NIELSEN C/D LIFESTYLE COMPONENTS SKEW TOWARDS DOWNSCALE ACTIVITIES



SOURCE: CLARITAS CORP.

NIELC-D/JP23

2045044461

Country